

NOTICE TO ATTEND AN EXTRAORDINARY GENERAL MEETING IN COALA-LIFE GROUP AB (PUBL)

The shareholders in Coala-Life Group AB (publ), reg. no. 556495-4682, are hereby given notice to attend an extraordinary general meeting at 10:00 a.m. on Monday 14 March 2022. The meeting will be held through postal voting only (see below for more information).

Special arrangements due to COVID-19 (coronavirus)

The board of directors has, in light of continued spread of the coronavirus and in accordance with the Swedish Act on temporary exceptions to facilitate the execution of general meetings in companies and other associations, decided that the extraordinary general meeting shall be held without physical presence of shareholders, proxies and/or external parties and that the shareholders shall only have the opportunity to vote by mail prior to the extraordinary general meeting.

Coala-Life Group welcomes all shareholders to exercise their voting rights at the extraordinary general meeting through postal voting as described below. Information on the resolutions passed at the meeting will be published on Monday 14 March 2022, as soon as the result of the postal voting has been finally confirmed.

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 Friday 4 March 2022; and

(ii) notify the company of their attendance no later than Friday 11 March 2022 by casting their postal vote in accordance with the instructions under the heading "Postal voting" below so that the postal voting form is received by Setterwalls Advokatbyrå AB no later than that day. Please note that a notification to attend the general meeting can only be done by a postal vote.

A shareholder represented by proxy shall issue a power of attorney. Further instructions regarding this are available below under the heading "Proxy voting".

Nominee registered shares

In order to be entitled to participate and vote at the meeting, shareholders who have their shares registered in the name of a nominee must have their shares registered in their own name, so that the shareholder will be included in the transcription of the share register as of Friday 4 March 2022. Such registration may be temporary (so-called voting

rights registration) and is requested to the nominee in accordance with the nominee's routines at such time in advance as the nominee determines. Voting rights registrations made by the nominee no later than Tuesday 8 March 2022 will be taken into account in the preparation of the share register.

Postal voting

The shareholders may exercise their voting rights at the extraordinary general meeting only by voting in advance, so-called postal voting, in accordance with Section 22 of the Swedish Act on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for postal voting. The form will be available on the company's website, www.coalalife.com. The postal voting form is considered as the notification of participation at the extraordinary general meeting.

The completed voting form must be received by Setterwalls Advokatbyrå AB no later than Friday 11 March 2022. The form may be submitted by post to Setterwalls Advokatbyrå AB, Attn: Johan Tønnesen, P.O. Box 1050, 101 39 Stockholm, Sweden or via e-mail to johan.tonnesen@setterwalls.se.

The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the postal vote in its entirety) is invalid. Further instructions and conditions are included in the form for postal voting.

The shareholders may request in the postal voting form that a resolution on one or several of the matters on the proposed agenda below should be deferred to a so-called continued general meeting, which cannot be conducted solely by way of postal voting. Such general meeting shall take place if the extraordinary general meeting so resolves or if shareholders with at least one tenth of all shares in the company so requests.

Proxy voting

A shareholder represented by proxy shall issue a power of attorney which shall be dated and signed by the shareholder. If the shareholder postal votes by proxy, the power of attorney shall be enclosed to the form. 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 postal vote by proxy will be available on the company's website www.coalalife.com.

Processing of personal data

For information regarding how your personal data is processed in connection with the extraordinary 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;

- Preparation and approval of the voting list;
 - Approval of the agenda;
 - Election of one or two persons who shall approve the minutes of the meeting;
 - Determination of whether the meeting has been duly convened;
 - Resolution regarding authorisation for the board of directors to increase the share capital;
 - Resolution regarding implementation of a long-term incentive programme in the form of warrants for employees and contractors;
 - Resolution regarding implementation of a long-term incentive programme in the form of warrants for board members;
- Closing of the meeting.

Proposed resolutions

Item 1. Election of chairman of the meeting

Olof Reinholdsson (lawyer at Setterwalls Advokatbyrå AB) is proposed as chairman of the meeting, or, if he is unable to attend the meeting, any other person proposed by the board of directors.

Item 2. Preparation and approval of the voting list

The voting list that is proposed for approval is the voting list to be prepared by Setterwalls Advokatbyrå AB on behalf of the company, based on the shareholders' register for the general meeting kept by Euroclear Sweden AB, and postal votes received, and approved by the persons appointed to approve the minutes.

Item 4. Election of one or two persons who shall approve the minutes of the meeting

The board of directors' proposal regarding person(s) who shall approve the minutes of the meeting in addition to the chairman of the meeting will be presented in the form for postal voting and may, in the event such person(s) is/are prevented from doing so, be changed to any person(s) the board of directors appoints instead. A person appointed to verify the minutes shall, apart from approving the minutes of the general meeting together with the chairman of the general meeting, check the voting list and that the result of received votes are correctly reflected in the minutes of the general meeting.

Item 6. Resolution regarding authorisation for the board of directors to increase the share capital

The board of directors proposes that the general meeting resolves on an authorisation for the board of directors to – during the period until the 2022 annual general meeting and at one or more occasions – resolve upon issuance of new shares and/or warrants. Payment may be made in cash, by way of contribution in kind, through set-off of claims or otherwise be conditional. The company's share capital and the number of shares in the company may by support of the authorisation be increased by an amount and number within the limits of the articles of association (with the main purpose of avoiding speculation about the detailed terms of the planned rights issue as communicated by the company through a press release on 23 February 2022). Deviation from the shareholders' preferential rights shall be allowed in situations where a directed issue is deemed more appropriate for the company due to timing, commercial or similar reasons and to enable acquisitions. In the event of issuance with deviation from the shareholders' preferential rights, the starting point for the issue price shall be the prevailing market conditions at the relevant time taking into account marketable discount. 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. A valid resolution requires that the proposal is supported by shareholders representing at least two-thirds (2/3) of the votes cast as well as of the shares represented at the meeting.

Item 7. Resolution regarding implementation of a long-term incentive programme for employees and contractors by way of directed issue of warrants and approval of transfer of warrants

The board of directors of Coala-Life Group AB (publ) proposes that the extraordinary general meeting resolves on implementation of a long-term incentive programme (Warrant programme 2022/2025:1) for employees and contractors by way of (A) directed issue of no more than 6,850,000 warrants (the warrants shall be divided into series 2022/2025:1A and series 2022:2025:1B out of which the latter series is intended for U.S. participants only with terms and conditions adjusted to U.S. law) to the company and/or any of its subsidiaries (the company or a subsidiary, as applicable, hereinafter referred to as the "**LTIP Company**"), as set forth in item A below, and (B) approval of transfer of the issued warrants from the LTIP Company to certain employees and contractors in the group where the company is parent company (the "**Group**") as set forth in item B below. Please note that the maximum number of warrants pursuant to the proposed resolution exceeds the number of warrants expected to be transferred under the programme. The reason for this is that the share capital and number of shares and votes in the company

at the expected time for implementing the programme is not known as a result of the planned new issue of shares with preferential rights for shareholders and that the actual number of warrants under the programme shall correspond to a certain percentage, in terms of dilution, of the share capital and the total number of shares and votes in the company after completion of the new issue of shares with preferential rights for shareholders as well as due to the need for rounding-off as a result thereof (for more information, please refer to “Approval of transfer of warrants to Participants” below). The calculations in terms of costs, dilution and effect on key ratios are thus expected to be affected as a result of a lower (but not higher) actual number of warrants under the programme.

Main terms of the incentive programme

The incentive programme shall encompass existing and future employees in and contractors of the Group (the “**Participants**”). Board members of the company will not be allowed to participate. The incentive programme is expected to comprise around 30 Participants in total.

The incentive programme entails that Participants, who have entered into an agreement with the LTIP Company (the “**Warrant Agreement**”), are offered to acquire warrants at market value, calculated as set forth below. Warrants may be transferred to the Participants free-of-charge provided that it does not entail negative tax consequences for the Group (only applicable with respect to Participants in other jurisdictions than Sweden and intended in respect of U.S. Participants).

The Warrant Agreement will include a so-called vesting structure, a re-purchase right for the LTIP Company applicable under certain circumstances, certain transfer restrictions and other terms and conditions customary for such agreements with some potential differences due to requirements under local law.

Each warrant shall entitle the warrant holder to subscribe for one (1) new share in the company.

The subscription price per new share is to correspond to 200 per cent of the volume weighted average trading price for the company’s share on Nasdaq First North Growth Market during a period of ten (10) trading days whereby the aforementioned measurement period shall commence either on the first trading day immediately after five (5) trading days have passed from and including the day of final registration with the Swedish Companies Registration Office of new shares issued as a result of the planned new issue of shares with preferential rights for shareholders. More detailed provisions for determining the subscription price are set forth below.

The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025.

The rationale for the incentive programme

There are no share related incentive programmes outstanding in the company as of today.

The board of directors is of the opinion that share related incentive programmes strengthens 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.

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.

In addition to the above, the company's costs for the programme may include social security costs and Medicare Tax in relation to the part directed to Participants resident in the U.S. Potential social security costs and Medicare Tax are calculated on the difference between the acquisition cost for new shares and the value of the company's shares at the time of exercising the warrants. The tax rate for social security costs is currently 6.20 percent and the Medicare Tax is currently 1.45 percent. Social security costs are only payable in respect of a certain yearly income (currently USD 147,000) whilst Medicare Tax does not have a similar limit. The potential costs in respect of U.S. participants will thus be dependent on the development of the share price as well as the U.S. Participants' other income from the Group and will not be payable at all should the warrants not be exercised for subscription of new shares. The total cost for the incentive programme will thus depend on the outcome of the programme.

U.S. Participants are expected to be offered the possibility to acquire a maximum of around 43 percent of the total number of warrants under the incentive programme. Potential costs in relation to Participants resident in the U.S. are appraised to a maximum of approximately SEK 1.48 per warrant based on today's tax rates and the assumption that the value of the company's shares at the time of exercise of the warrants is SEK 23.25 per share and an assumed subscription price of SEK 18.60 per new share (the calculation is based on the maximum total tax rate as of today, i.e. 7.65 percent). The potential costs are appraised to a maximum of approximately SEK 1.84 per warrant should the value of the company's shares at the time of exercise of the warrants instead be SEK 27.90 per share with the same subscription price (please note that the aforementioned examples are only intended to illustrate the costs in different scenarios and are not a reflection of any appraised development of the share price). Please note that the final number of warrants under the incentive programme is expected to be lower than the maximum number pursuant to the proposed resolution and that potential costs in relation to Participants resident in the U.S. in such case would be lower as compared to using the maximum number of warrants. As described above, there are no costs should the warrants not be exercised for subscription of new shares.

Upon full subscription, transfer and exercise of all 6,850,000 warrants, a total of 6,850,000 new shares would be issued in the company (subject to potential recalculations in accordance with customary terms and conditions applicable for the warrants). However, as a result of the adjustment to be made with respect to the final number of warrants (please refer to "Approval of transfer of warrants to Participants" below), the incentive programme will not entail a potential dilution corresponding to more than 7.05 percent of the company's share capital and the total number of shares and votes at the time of implementing the incentive programme, which calculation also includes the potential new shares as a result of the nomination committee's proposed resolution on an incentive programme for board members.

Accounting for the new shares that may be issued under the proposed resolution, the key ratio earnings per share for the latest financial year had then been changed with approximately -6.6 percent (the calculation excludes the intended rights issue as well as the incentive programme proposed for board members and is based on the dilutive effect in relation to the number of shares as of today, without taking costs associated with the proposed incentive programme into consideration).

Costs related to the warrants for U.S participants will be accounted for in accordance with IFRS 2 according to which the warrants shall be expensed as a personnel cost over the vesting period. The total costs for the warrants are estimated to a maximum of SEK 3.29 million during the term of the programme (according to IFRS) based on the maximum dilutive effect in relation to the total number of shares in the company as of today. However, please note that the final number of warrants under the incentive programme is expected to be adjusted as a result of the intended rights issue.

The above calculations regarding dilution and impact on key ratios are subject to adjustment of the final number of warrants and potential subsequent recalculations in accordance with the customary recalculation terms applicable to the warrants.

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 incentive programme is subject to 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 general meeting.

- Directed issue of warrants
- The company shall issue no more than 6,850,000 warrants of which no more than 2,914,894 warrants of series 2022/2025:1B.
- Each warrant entitles to subscription of one (1) new share in the company, each with a quotient value of SEK 0.25. If all warrants were to be subscribed, transferred to and exercised by the Participants for subscription of new shares, the company's share capital would increase by SEK 1,712,500 (subject to potential recalculations in accordance with customary terms and conditions to be applicable in relation to the warrants).
- The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the company and/or any of its subsidiaries after which they are to be transferred to the Participants 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.
- Subscription of warrants shall be made on a subscription list on 30 June 2022 at the latest. The board of directors shall be entitled to prolong the subscription period.
- The company is not to pay any subscription price for the warrants. Any subsidiary subscribing for warrants shall pay a subscription price corresponding to the theoretical market value of the warrants, calculated by an independent valuation agent engaged by the company by use of the Black & Scholes valuation model. The value of the underlying share shall be determined by use of the same period for measurement as used in relation to the establishment of the subscription price for new shares in accordance with item 7 below. Payment is to be made in connection with subscription of warrants and not later than on 30 June 2022. The board of directors shall be entitled to prolong the time period for payment.
- The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025.
- The subscription price per new share is to correspond to 200 per cent of the volume weighted average trading price for the company's share on Nasdaq First North Growth Market during a period of ten (10) trading days whereby the aforementioned measurement period shall commence either on the first trading

day immediately after five (5) trading days have passed from and including the day of final registration with the Swedish Companies Registration Office of new shares issued as a result of the planned new issue of shares with preferential rights for shareholders or, if a decision in respect of such new issue of shares with preferential rights for shareholders has not been made at such point in time, on 31 May 2022. If no trading price is recorded for a particular trading day within the specified period, such day shall not be taken into account, but the period shall instead be extended forwards in time with the number of succeeding trading days required for the period to comprise ten (10) trading days with a recorded trading price. The subscription price thus calculated shall be rounded off to the nearest whole SEK 0.01, whereupon SEK 0.005 shall be rounded upwards. The subscription price may never be below the quotient value of the shares.

- Warrants of series 2022/2025:1A shall also be subject to the terms and conditions which will be set forth in Schedule A and warrants of series 2022/2025:1B shall also be subject to the terms and conditions which will be set forth in Schedule B to the complete proposal. However, the subscription price and number of shares shall not be recalculated as a result of any new issue of shares with preferential rights for shareholders before the price per new share has been determined in accordance with the above.
- 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.
- Approval of transfer of warrants 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.

The warrants are to be transferred to the Participants against a premium payable by the Participants 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. Warrants may be transferred to the Participants free-of-charge provided that it does not entail negative tax consequences for the Group (only applicable with respect to Participants in other jurisdictions than Sweden and intended in respect of U.S. Participants). The market value is preliminary estimated to SEK 1.13 per warrant, based on a market value of the underlying share corresponding to SEK 9.30 and assuming a subscription price of SEK 18.60 per new share.

The board of directors of the company shall resolve upon allocation to Participants in accordance with the guidelines set forth below. No Participant may be offered a higher number of warrants than the maximum allocation set forth below other than as a result of rounding off.

The principles for allotment shall be that the Participants shall be divided into six (6) different categories with the following maximum potential percentage of the share capital and the total number of shares and votes in the company at the time of implementing to the programme (i.e. the percentage the warrants would represent if fully exercised including new shares that may be issued pursuant to the nomination committee's proposed resolution on an incentive programme for board members): (i) CEO (1.6%), (ii) President US (1%), (iii) Senior management (5 persons, 2% in total as a group and 0.4% per person), (iv) Vice Presidents US (2 persons, 0.4% as a group and 0.2% per person), (v) Sales and managers (18 persons, 1.8% as a group and 0.1% per person), (vi) Other key individuals (5 persons, 0.25% as a group and 0.05% per person).

A Participant can choose to acquire a lower but not a higher number of warrants than offered to the Participant.

For Participants in other jurisdictions than Sweden, it is implied that transfer of warrants is legally possible and that transfer, in the board of directors' opinion, can be carried out with reasonable administrative and financial efforts. The board of directors shall have the right to adjust the terms of the Warrant Programme 2022/2025:1 to the extent required in order for transfers of warrants to participants in other jurisdictions, to the extent practically possible, to be made under the same conditions imposed by the Warrant Programme 2022/2025:1.

The maximum number of warrants possible to transfer to Participants in the programme shall correspond to 7.05 percent of the share capital and the total number of shares and votes in the Company at the time immediately after completion of the planned new issue of shares with preferential rights for shareholders (including new shares that may be issued pursuant to the nomination committee's proposed resolution on an incentive programme for board members). The maximum number of warrants under the programme may thus be adjusted downwards but not upwards. However, the incentive programme shall not be conditional upon the new issue of shares with preferential rights for shareholders meaning that the abovementioned percentage in such situation shall refer to the share capital and the total number of shares and votes in the company at the time of implementing the incentive programme.

Item 8. Resolution regarding implementation of a long-term incentive programme for board members by way of directed issue of warrants and approval of transfer of warrants

The nomination committee in Coala-Life Group AB (publ) proposes that the extraordinary general meeting resolves on implementation of a long-term incentive programme (Warrant programme 2022/2025:2) for board members by way of (A) directed issue of no more than 1,900,000 warrants (the warrants shall be divided into series 2022/2025:2A and series 2022/2025:2B out of which the latter series is intended for U.S. participants only with terms and conditions adjusted to U.S. law) to the company and/or any of its subsidiaries (the company or a subsidiary, as applicable, hereinafter referred to as the "**LTIP Company**", and the group where the company is parent company, hereinafter referred to as the "**Group**"), as set forth in item A below, and (B) approval of transfer of the issued warrants from the LTIP Company to board members as set forth in item B below.

Please note that the maximum number of warrants pursuant to the proposed resolution exceeds the number of warrants expected to be transferred under the programme. The reason for this is that the share capital and number of shares and votes in the company at the expected time for implementing the programme is not known as a result of the planned new issue of shares with preferential rights for shareholders and that the actual number of warrants under the programme shall correspond to a certain percentage, in terms of dilution, of the share capital and the total number of shares and votes in the company after completion of the new issue of shares with preferential rights for shareholders as well as due to the need for rounding-off as a result thereof (for more information, please refer to "Approval of transfer of warrants to Participants" below). The calculations in terms of costs, dilution and effect on key ratios are thus expected to be affected as a result of a lower (but not higher) actual number of warrants under the programme.

Main terms of the incentive programme

The incentive programme shall encompass board members in the company (the “**Participants**”). Participation in the incentive programme requires re-election, or new election, as board member at the annual general meeting to be held in 2022.

The incentive programme entails that Participants, who have entered into an agreement with the LTIP Company (the “**Warrant Agreement**”), are offered to acquire warrants at market value, calculated as set forth below. Warrants may be transferred to the Participants free-of-charge provided that it does not entail negative tax consequences for the Group (only applicable with respect to Participants in other jurisdictions than Sweden and intended in respect of U.S. Participants).

The Warrant Agreement will include a so-called vesting structure, a re-purchase right for the LTIP Company applicable under certain circumstances, certain transfer restrictions and other terms and conditions customary for such agreements with some potential differences due to requirements under local law.

Each warrant shall entitle the warrant holder to subscribe for one (1) new share in the company.

The subscription price per new share is to correspond to 200 per cent of the volume weighted average trading price for the company’s share on Nasdaq First North Growth Market during a period of ten (10) trading days whereby the aforementioned measurement period shall commence either on the first trading day immediately after five (5) trading days have passed from and including the day of final registration with the Swedish Companies Registration Office of new shares issued as a result of the planned new issue of shares with preferential rights for shareholders. More detailed provisions for determining the subscription price are set forth below.

The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025.

The rationale for the incentive programme

There are no share related incentive programmes outstanding in the company as of today.

This proposal has been presented considering that the company competes for qualified board members in an internationally competitive market. The overall purpose is to align the interests of the members of the board of directors with those of the shareholders and thereby create maximum long-term value adding commitment. The incentive programme is also intended to create a long-term focus on increase in earnings and growth amongst the Participants.

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.

In addition to the above, the company’s costs for the programme may include social security costs and Medicare Tax in relation to the part directed to Participants resident in the U.S. Potential social security costs and Medicare Tax are calculated on the difference between the acquisition cost for new shares and the value of the company’s shares at the time of exercising the warrants. The tax rate for social security costs is currently 6.20 percent and the Medicare Tax is currently 1.45 percent. Social security costs are only payable in respect of a certain yearly income (currently USD 147,000) whilst Medicare Tax does not have a similar limit. The potential costs in respect of U.S. participants will thus be dependent on the development of the share price as well as the U.S. Participants’ other

income from the Group and will not be payable at all should the warrants not be exercised for subscription of new shares. The total cost for the incentive programme will thus depend on the outcome of the programme.

U.S. Participants are expected to be offered the possibility to acquire a maximum of around 40 percent of the total number of warrants under the incentive programme. Potential costs in relation to Participants resident in the U.S. are appraised to a maximum of approximately SEK 1.48 per warrant based on today's tax rates and the assumption that the value of the company's shares at the time of exercise of the warrants is SEK 23.25 per share and an assumed subscription price of SEK 18.60 per new share (the calculation is based on the maximum total tax rate as of today, i.e. 7.65 percent). The potential costs are appraised to a maximum of approximately SEK 1.84 per warrant should the value of the company's shares at the time of exercise of the warrants instead be SEK 27.90 per share with the same subscription price (please note that the aforementioned examples are only intended to illustrate the costs in different scenarios and are not a reflection of any appraised development of the share price). Please note that the final number of warrants under the incentive programme is expected to be lower than the maximum number pursuant to the proposed resolution and that potential costs in relation to Participants resident in the U.S. in such case would be lower as compared to using the maximum number of warrants. As described above, there are no costs should the warrants not be exercised for subscription of new shares.

Upon full subscription, transfer and exercise of all 1,900,000 warrants, a total of 1,900,000 new shares would be issued in the company (subject to potential recalculations in accordance with customary terms and conditions applicable for the warrants). However, as a result of the adjustment to be made with respect to the final number of warrants (please refer to "Approval of transfer of warrants to Participants" below), the incentive programme will not entail a potential dilution corresponding to more than 1.95 percent of the company's share capital and the total number of shares and votes at the time of implementing the incentive programme, which calculation also includes the potential new shares as a result of the board of directors' proposed resolution on an incentive programme for employees and contractors.

Accounting for the new shares that may be issued under the proposed resolution, the key ratio earnings per share for the latest financial year had then been changed with approximately -1.9 percent (the calculation excludes the intended rights issue as well as the incentive programme proposed for employees and contractors and is based on the dilutive effect in relation to the number of shares as of today, without taking costs associated with the proposed incentive programme into consideration).

Costs related to the warrants for U.S. participants will be accounted for in accordance with IFRS 2 according to which the warrants shall be expensed as a personnel cost over the vesting period. The total costs for the warrants are estimated to a maximum of SEK 0.88 million during the term of the programme (according to IFRS) based on the maximum dilutive effect in relation to the total number of shares in the company as of today. However, please note that the final number of warrants under the incentive programme is expected to be adjusted as a result of the intended rights issue.

The above calculations regarding dilution and impact on key ratios are subject to adjustment of the final number of warrants and potential subsequent recalculations in accordance with the customary recalculation terms applicable to the warrants.

Preparation of the proposal

This proposal has been prepared by the nomination committee together with external consultants. The final proposal has been presented by the nomination committee.

Majority requirements

The proposed incentive programme is subject to 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 general meeting.

- Directed issue of warrants
- The company shall issue no more than 1,900,000 warrants of series 2022/2025:2 of which no more than 779,488 warrants of series 2021:2024:2B.
- Each warrant entitles to subscription of one (1) new share in the company, each with a quotient value of SEK 0.25. If all warrants were to be subscribed, transferred to and exercised by the Participants for subscription of new shares, the company's share capital would increase by SEK 457,000 (subject to potential recalculations in accordance with customary terms and conditions to be applicable in relation to the warrants).
- The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by the company and/or any of its subsidiaries after which they are to be transferred to the Participants in accordance with the resolution adopted by the general meeting. The reason for the deviation from the shareholders' preferential rights is that the warrants are to be used within the proposed incentive programme.
- Subscription of warrants shall be made on a subscription list on 30 June 2022 at the latest. The board of directors shall be entitled to prolong the subscription period.
- The company is not to pay any subscription price for the warrants. Any subsidiary subscribing for warrants shall pay a subscription price corresponding to the theoretical market value of the warrants, calculated by an independent valuation agent engaged by the company by use of the Black & Scholes valuation model. The value of the underlying share shall be determined by use of the same period for measurement as used in relation to the establishment of the subscription price for new shares in accordance with item 7 below. Payment is to be made in connection with subscription of warrants and not later than on 30 June 2022. The board of directors shall be entitled to prolong the time period for payment.
- The warrants may be exercised for subscription of new shares during the period from and including 1 July 2025 until and including 31 December 2025.
- The subscription price per new share is to correspond to 200 per cent of the volume weighted average trading price for the company's share on Nasdaq First North Growth Market during a period of ten (10) trading days whereby the aforementioned measurement period shall commence either on the first trading day immediately after five (5) trading days have passed from and including the day of final registration with the Swedish Companies Registration Office of new shares issued as a result of the planned new issue of shares with preferential rights for shareholders or, if a decision in respect of such new issue of shares with preferential rights for shareholders has not been made at such point in time, on 31 May 2022. If no trading price is recorded for a particular trading day within the specified period, such day shall not be taken into account, but the period shall instead be extended forwards in time with the number of succeeding trading days required for the period to comprise ten (10) trading days with a recorded trading price. The subscription price thus calculated shall be rounded off to the nearest whole SEK 0.01, whereupon SEK 0.005 shall be rounded upwards. The subscription price may never be below the quotient value of the shares.

- Warrants of series 2022/2025:2A shall also be subject to the terms and conditions which will be set forth in Schedule A and warrants of series 2022/2025:2B shall also be subject to the terms and conditions which will be set forth in Schedule B to the complete proposal. However, the subscription price and number of shares shall not be recalculated as a result of any new issue of shares with preferential rights for shareholders before the price per new share has been determined in accordance with the above.
- 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.
- Approval of transfer of warrants 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.

The warrants are to be transferred to the Participants against a premium payable by the Participants 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. Warrants may be transferred to the Participants free-of-charge provided that it does not entail negative tax consequences for the Group (only applicable with respect to Participants in other jurisdictions than Sweden and intended in respect of U.S. Participants). The market value is preliminary estimated to SEK 1.13 per warrant, based on a market value of the underlying share corresponding to SEK 9.30 and assuming a subscription price of SEK 18.60 per new share.

The Participants may be allocated warrants as set forth below. No Participant may be offered a higher number of warrants than the maximum allocation set forth below other than as a result of rounding off.

The principles for allotment shall be that the Participants shall be divided into two (2) different categories with the following maximum potential percentage of the share capital and the total number of shares and votes in the company at the time of implementing to the programme (i.e. the percentage the warrants would represent if fully exercised including new shares that may be issued pursuant to the board of directors' proposed resolution on an incentive programme for employees and contractors): (i) Chairman of the board of directors (0.75%) and (ii) Other board members (3 persons, 1.20% as a group and 0.4% per person).

A Participant can choose to acquire a lower but not a higher number of warrants than offered to the Participant.

For Participants in other jurisdictions than Sweden, it is implied that transfer of warrants is legally possible and that transfer, in the company's opinion, can be carried out with reasonable administrative and financial efforts. The company shall have the right to adjust the terms of the Warrant Programme 2022/2025:2 to the extent required in order for transfers of warrants to participants in other jurisdictions, to the extent practically possible, to be made under the same conditions imposed by the Warrant Programme 2022/2025:2.

The maximum number of warrants possible to transfer to Participants in the programme shall correspond to 1.95 percent of the share capital and the total number of shares and votes in the Company at the time immediately after completion of the planned new issue of shares with preferential rights for shareholders (including new shares that may be issued pursuant to the board of directors' proposed resolution on an incentive programme for employees and contractors). The maximum number of warrants under the programme may thus be adjusted downwards but not upwards. However, the

incentive programme shall not be conditional upon the new issue of shares with preferential rights for shareholders meaning that the abovementioned percentage in such situation shall refer to the share capital and the total number of shares and votes in the company at the time of implementing the incentive programme.

Number of shares and votes in the company

The total number of shares and votes in the company at the time of issuance of this notice is 35,325,171. 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 deems that it can be made without material damage to the company, provide information, regarding circumstances which may affect the assessment of a matter on the agenda. A request for such information shall be made in writing no later than on Friday 4 March 2022. The information will be made available at the company's office from Wednesday 9 March 2022, at the latest. The information will, from the same date, also be available on the company's website www.coalalife.com. The information will also be sent, within the same period of time, to the shareholder who has requested it and stated its address.

Documentation

Complete proposal and documents pursuant to Chapter 14 section 8 of the Swedish Companies Act (*Sw. aktiebolagslagen* (2005:551)) will be kept available at the company's office not 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.coalalife.com.

Stockholm, February 2022

The board of directors

About us

Coala Life is a medical device company founded in Sweden focusing on cloud-based cardiac and pulmonary diagnostics. The company has developed and launched the Coala Heart Monitor - a multi-award winning, FDA-cleared and CE-approved product platform enabling long-term remote monitoring, analysis and algorithm-based diagnostics of heart and lungs in real-time. The Coala Heart Monitor is mainly marketed to healthcare providers as an Rx solution for use in patient's everyday life and home environment. The company's solutions are based on over 10 years of R&D, and are protected by more than 30 patents. The head office is based in Uppsala, Sweden and since 2019, the US office is based in Irvine, California. More than 350 care providers and 1,000 doctors are connected to the Coala Care Portal. For more information see www.coalalife.com

For more information, contact:

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Certified Adviser

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Attachments

**NOTICE TO ATTEND AN EXTRAORDINARY GENERAL MEETING IN COALA-LIFE GROUP AB
(PUBL)**