**The board of directors’ of Cantargia AB (publ) proposal on a directed issue and approval of transfer of warrants (item 7)**

In order to enable the company’s delivery of shares under the employee option program which was resolved on by the 2020 annual general meeting (Employee Option Program 2020/2023) in an easy and cost-efficient manner, the board proposes that the meeting resolves on a directed issue of warrants as well as on an approval of transfer of warrants, in accordance with the below.

1. Not more than 1,900,000 warrants shall be issued, whereby the share capital of the company shall be increased with not more than SEK 152,000.
2. The right to subscribe for the warrants shall, with deviation from the shareholders’ pre-emptive rights, only fall upon the company (i.e. Cantargia AB (publ)) or a wholly-owned subsidiary of the company. The reason for the deviation from the shareholders’ pre-emptive rights is the implementation of Employee Option Program 2020/2023.
3. Subscription shall be made on a subscription list no later than 30 October 2020. However, the board of directors shall be entitled to extend the subscription period.
4. The warrants shall be issued free of charge.
5. The terms and conditions for the warrants are set out in Appendix.
6. The company may, directly or indirectly, transfer warrants and/or shares to the participants in the Employee Option Program 2020/2023 without consideration in connection with utilization of the employee options in accordance with the terms and conditions of Employee Option Program 2020/2023, or in another way dispose of the warrants in order to be able to secure the company’s commitments and costs in relation to the Employee Option Program 2020/2023.
7. The CEO is authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration of the new issue.

**Appendix**

**Terms and conditions of warrants in CANTARGIA AB (PUBL)**

*[Full terms and conditions, in Swedish and English, are available in the Swedish proposal for the directed issue and approval of transfer of warrants]*