

SECTRA

Documentation to be presented at the
Annual General Meeting of

Sectra AB (publ)

Thursday, September 8, 2022

Proposed Agenda

for the Annual General Meeting of Shareholders ("AGM") in Sectra AB (publ) Thursday, September 8, 2022.

1. Opening of the AGM.
2. Election of a Chairman for the AGM.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of two persons to certify the minutes.
6. Determination of whether the AGM has been duly convened.
7. Presentation of the Annual Report and the Auditor's Report and the Consolidated Annual Report and Consolidated Auditor's Report.
8. Resolution regarding the adoption of the Profit and Loss Statement and the Balance Sheet and the Consolidated Profit and Loss Statement and Consolidated Balance Sheet.
9. Resolution regarding the allocation of the company's profit according to the adopted Balance Sheet.
10. Resolution regarding the discharge from liability towards the company for the members of the Board of Directors and the Managing Director.
11. Resolution regarding the number of members of the Board of Directors, auditors and deputies.
12. Resolution regarding the fees for the Board of Directors and the auditors.
13. Election of the members of the Board of Directors.
14. Election of the Chairman of the Board.
15. Election of the auditor.
16. Resolution regarding the approval of the remuneration report.
17. Resolution regarding principles for salary and other forms of remuneration for senior executives.
18. Resolution regarding a compulsory redemption procedure, including
 - (a) a resolution to implement a share split,
 - (b) a resolution to reduce the share capital through a compulsory redemption of shares, and
 - (c) a resolution to increase the share capital through a bonus issue.
19. Resolution regarding a long term performance based incentive program 2022 including
 - (d) a resolution regarding terms and instructions for the incentive program,
 - (e) a resolution to authorize the Board of Directors to (i) to issue shares of series C and (ii) to buy back shares of series C, and
 - (f) a resolution to transfer shares of Series B.
20. Resolution regarding the authorization for the Board of Directors to issue shares.
21. Resolution regarding the authorization for the Board of Directors to acquire and dispose of the company's own shares.
22. Any other matter.
23. Closing of the AGM.

The Board of Directors' proposals for the AGM in Sectra AB (publ) on Thursday, September 8, 2022

The following proposals have the same numbering as set forth in the Board of Directors' proposed agenda.

Election of Chairman of the AGM, item 2

The Nomination Committee, consisting of Jan-Olof Brüer (Chairman of the Board of Directors and representing his own and related parties' holdings), Torbjörn Kronander (representing his own and related parties' holdings), Jan Särllvik (chairman of the Nomination Committee and representing Nordea Investment Funds) and Patrik Jönsson (representing SEB Investment Management), proposes that Per Nyberg or, in case he is unable to serve, the person suggested by the Nomination Committee, is elected Chairman of the AGM.

Election of two persons to certify the minutes, item 5

The Nomination Committee proposes that Patrik Jönsson, representing SEB Investment Management, and Robert Forchheimer or, in case anyone of them is or both of them are unable to serve, the person or persons suggested by the Nomination Committee, are elected to certify the minutes.

Dividend, item 9

The Board of Directors and the Managing Director propose that no ordinary dividend is distributed for the financial year 2021/2022. The Board of Directors instead proposes a redemption procedure as set out in item 18 below.

Board of Directors etc, items 11-15

The Nomination Committee proposes that the Board of Directors shall comprise of seven members without any deputy directors. Anders Persson, Torbjörn Kronander, Tomas Puusepp, Birgitta Hagenfeldt, Jan-Olof Brüer and Fredrik Robertsson are proposed to be re-elected as members of the Board of Directors and Ulrika Unell is proposed to be elected as a new member of the Board of Directors. Christer Nilsson and Jonas Yngvesson have declined to be re-elected.

It is proposed that Jan-Olof Brüer is re-elected Chairman of the Board of Directors.

The Nomination Committee's statement in respect of their proposal and other information regarding the proposed members of the Board of Directors is available at <https://investor.sectra.com/agm2022>.

The Nomination Committee proposes that Ernst & Young AB is appointed as auditor until the close of the next AGM. Ernst & Young AB has announced that if the AGM approves of the proposal, Authorized Public Accountant Andreas Troberg will be the Auditor in Charge.

It is proposed that director fees shall amount to SEK 280,000 (previously SEK 270,000) for each of the external members of the Board and SEK 560,000 (previously SEK 540,000) for the Chairman of the Board. It is proposed that for the Audit Committee fees shall amount to SEK 60,000 (previously SEK 50,000) for each of the external members of the Board and SEK 120,000 (previously SEK 100,000) for the Chairman of the Audit Committee. No separate fees are proposed to be paid for Remuneration Committee work. Furthermore, the Nomination Committee proposes that the auditor's fee shall be paid pursuant to approved account.

The Nomination Committee's proposal is supported by shareholders representing more than 65 percent of the votes in the company.

Approval of the remuneration report, item 16

The Board of Directors proposes that the AGM resolve to approve the remuneration report by the Board of Directors according to Chapter 8 Section 53a of the Companies Act (2005:551), **Appendix 1**.

Principles for salary and other forms of remuneration for senior executives, item 17

The 2020 AGM passed a resolution to approve principles for salary and other forms of remuneration for senior executives of Sectra. The Board of Directors proposes that these shall be amended so

- (1) that the variable cash remuneration can total a maximum of 100 percent (previously 50 percent) of the Basic Salary as regards financial, operative, non-financial and individually adapted goals and
- (2) that the term “Basic Salary” shall mean, with respect to determining the variable cash remuneration, the executive’s fixed remuneration excluding vacation supplement.

As a result of these amendments, it is proposed that the guidelines in their entirety shall read as follows.

Scope and applicability of the guidelines

These guidelines cover the President and CEO, other members of Group Management and, where applicable, remuneration to Board members for work performed above and beyond their commission. The guidelines will be applied to contractual remuneration, and changes made to remuneration already contracted, after the guidelines are adopted by the 2022 AGM.

The guidelines do not cover remuneration that has been decided by the General Meeting of Shareholders. Board fees will not be paid to executives employed in the Group.

The guidelines’ promotion of the company’s business strategy, long-term interests and sustainability

Briefly, Sectra’s business strategy entails developing and selling products and services for medical IT and cybersecurity. Helping our customers improve the efficiency and quality of patient care and increase cybersecurity in critical functions of society is the company’s most significant contribution to a more sustainable society. For more information about the company’s business strategy, refer to Sectra’s latest Annual Report available at the company’s website, <https://sectra.com>.

Successfully implementing the company’s business strategy and looking after the company’s long-term interests including sustainability assumes that the company can recruit and retain qualified employees. This requires the company to offer competitive remuneration. These guidelines make it possible to offer senior executives competitive total remuneration.

Long-term share-based incentive programs have been introduced at the company in certain years. These programs are adopted, where necessary, by the General Meeting of Shareholders and are thus not covered by these guidelines.

Forms of remuneration, etc.

The terms and conditions of remuneration must emphasize remuneration after performance, and vary in relation to the individual’s performance and the Group’s earnings. Total remuneration shall be on market terms and can consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits.

Fixed remuneration

Fixed remuneration consists of a basic annual salary (the “Basic Salary”), which is to be competitive in the relevant market and reflect the responsibilities that the job entails. Salary levels will be reviewed once a year to ensure continued competitiveness and to reward individual performances.

Variable remuneration

Variable cash remuneration covered by these guidelines must be intended to promote the company's business strategy and long-term interests, including sustainability.

Variable cash remuneration will be based on predetermined and measurable criteria. These criteria must be based on (i) financial earnings (profit, financial efficiency and sales) or alternately operational goals that over the long term are intended to lead to solid financial results; (ii) share-related goals and (iii) non-financial goals such as sustainability, customer satisfaction, quality and corporate culture. They could also consist of individually adapted quantitative or qualitative goals.

Meeting the criteria for disbursement of variable cash remuneration should be measurable over a period of one or more years. Variable cash remuneration can total a maximum of 100 percent of the Basic Salary excluding vacation supplement as regards financial, operative, non-financial and individually adapted goals and a maximum of 25 percent as regards share-related goals during the relevant measurement period.

When the measurement period for meeting the criteria for disbursement of variable cash remuneration has concluded, the extent to which the criteria were met must be determined. The Remuneration Committee is responsible for the assessment regarding variable cash remuneration to the CEO. As regards variable cash remuneration to other executives, the CEO is responsible for the assessment. As regards financial goals, the assessment must be based on the latest financial information released by the company.

In addition to variable remuneration that executives may receive in accordance with these guidelines, the Board of Directors may decide that such executives could be covered by programs for variable remuneration that also cover personnel categories other than senior executives such as all employees in the Group or in a particular business area. Such programs must entitle all employees (regardless of position) to the possibility of the same nominal remuneration.

The Board of Directors must also have the legal or contractual possibility — with the ensuing limitations — of demanding the return in full of erroneously disbursed variable remuneration (so called clawback). Such request for repayment must, where applicable, be made within five years of the disbursement.

Pension and other benefits

For the CEO and other executives covered by these guidelines, retirement and survivor benefits including health insurance must be provided and are to be defined-contribution. Variable cash remuneration must not be pensionable. Pension premiums must total a maximum of 30 percent of the Basic Salary.

The executive must be provided with the possibility of exchanging a portion of the Basic Salary with other benefits such as life insurance, healthcare insurance and a company car, provided that it is cost-neutral for the company.

As regards terms of employment subject to laws other than Swedish, the company may make the proper adjustments concerning pension and other benefits in order to comply with compulsory regulations or local practice, in which case the overall goals of these guidelines must be met to the greatest possible extent.

Period of notice

The period of notice must be linked to the age of the executive, in accordance with the following policies.

Upon termination by the company or the executive, the period of notice must be at most (i) 6 months, if at the time of termination the executive is age 40 or younger; (ii) 12 months, if at the time of termination the executive is age 41–50; (iii) 18 months, if at the time of termination the executive is age 51–60; and (iv) 24 months, if at the time of termination the executive is age 61 or older. From the date the executive turns 67, however, the period of notice must be at most 6 months.

Salary and conditions of employment for employees

In preparing the Board's proposal for these remuneration guidelines, salary and conditions of employment for the company's employees were taken into account through information on total employee remuneration, the components of remuneration and the increase (and rate of increase) of the remuneration forming a part of the basis for decision by the Board and the Remuneration Committee in assessing the reasonableness of the guidelines and the ensuing limitations.

The decision-making process for adopting, reviewing and implementing the guidelines

The Board of Directors has established a Remuneration Committee, the tasks of which include preparing the Board's decisions on proposals for guidelines on remuneration to senior executives. The Board of Directors will draw up proposals for new guidelines at least once every four years, and present the proposal for resolution by the AGM. The guidelines will be in force until new guidelines are adopted by the General Meeting of Shareholders.

Remuneration to the CEO and, where applicable, Board members (above and beyond ordinary remuneration resolved on by shareholders' meetings) is decided by the Board based on the recommendations of the Remuneration Committee. Remuneration to other executives is determined by the CEO. The Remuneration Committee must also monitor and evaluate programs for variable remuneration to Group Management, the application of guidelines for remuneration to senior executives and applicable remuneration structures and remuneration levels in the company. The members of the Remuneration Committee are independent in relation to the company and Group Management. To the extent they are affected by such issues, neither the CEO nor other members of Group Management are present when the Board discusses and decides on issues related to remuneration.

Departures from the guidelines

The Board of Directors may decide to temporarily depart from the guidelines in full or in part if, in an individual case, there are particular reasons to do so and a departure is necessary to safeguard the company's long-term interests, including its sustainability, or to ensure the company's financial strength. As indicated above, the tasks of the Remuneration Committee include preparing Board decisions on remuneration issues, which includes decisions on departures from the guidelines.

Compulsory redemption of shares, item 18

The Board of Directors proposes that the AGM resolves on a procedure for the compulsory redemption of shares, in accordance with items 18 a - 18 c below. All resolutions are proposed to be conditional upon each other and are therefore adopted as one single resolution. A valid resolution requires the approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the AGM.

Resolution to implement a share split (item 18 a)

The Board of Directors proposes that the AGM resolves to implement a share split, whereby one share in Sectra is converted into two shares. One of these shares will be a so-called redemption

share. The Board of Directors proposes that the record date for the share split shall be October 11, 2022.

Resolution to reduce the share capital through a compulsory redemption of shares (item 18 b)

The Board of Directors proposes that the share capital is reduced by SEK 19,366,232.50 through the redemption of shares for repayment to the shareholders and for transfer to unrestricted equity to the extent the reduction of the share capital is accomplished by way of the redemption of shares held by the company. The reduction shall be accomplished by way of the redemption of in total 13,103,460 Class A shares and 180,558,865 Class B shares.

The amount payable for each redemption share shall be SEK one (1). Shares held by the company shall, however, be redeemed without repayment. The maximum redemption amount will thus be SEK 193,662,325, provided that the final redemption amount will be less to the extent the company itself owns shares on the record date. The Board of Directors proposes that trading in redemption shares shall take place during the period October 12-21, 2022, and that the record date for the redemption of the redemption shares shall be October 25, 2022. Payment is expected to be made through Euroclear Sweden AB around October 28, 2022.

Resolution to increase the share capital through a bonus issue, (item 18 c)

In order to achieve a timely and efficient redemption procedure, without having to obtain permission from the Swedish Companies Registration Office or a court of law, the Board of Directors proposes to restore the company's share capital to its original amount by increasing the company's share capital by SEK 19,366,232.50 through a bonus issue without issuing new shares via a transfer from the company's unrestricted equity to the company's share capital. Upon completion of the bonus issue, the company's share capital will be restored to its original amount.

The Board of Directors' explanatory statement in connection with the proposal to reduce the share capital and the auditor's opinions thereon in accordance with Chapter 20, Section 8 of the Swedish Companies Act are set out in **Appendix 2** and **Appendix 3** respectively. The Board of Directors' statement in accordance with Chapter 20, Section 13 of the Companies Act and the auditors' statement in accordance with Chapter 20, Section 14 of the Companies Act are set out in **Appendix 4** and **Appendix 5** respectively.

Long term performance based incentive program 2022, item 19

Background and motive

As an employer, Sectra wants to both retain and recruit competent employees who are expected to contribute to the group's continued good development. The remuneration through the long-term incentive program that is proposed shall promote well thought-out decision-making and desirable results in a manner that is in line with the company's vision and values.

The intention is to increase the participants' affiliation with the company, which is expected to be good for the company in the long term. The Board of Directors wants the employees, through the program, to be encouraged to increase ownership in the company and has therefore proposed a share-based compensation where a condition for it to be paid is that certain criteria must be met. Participation in the program is voluntary.

As opposed to last year's incentive programs (LTIP 2021) the proposal for this year is one common program for all employees in the entire Sectra group.

The Board of Directors' proposal is set out in items 19 a - 19 c below. All decisions are proposed to be conditional on each other and are therefore adopted as one decision. In order to obtain a valid decision, it is necessary to obtain the support of shareholders representing at least nine tenths of the votes cast as well as of the shares represented at the AGM.

Resolution on terms and instructions for the incentive program (item 19 a)

The Board of Directors proposes that the AGM resolves on the introduction of one new long-term incentive program for employees within the Sectra Group in accordance with the following (“**LTIP 2022**”). LTIP 2022 will comprise a maximum of 1,100 employees in total within the Sectra Group.

As a result of last year’s programs (LTIP 2021), a total of 1,000,000 C-shares were issued, which the company repurchased and converted into B-shares. Of the total number of shares thus repurchased and converted into B-shares, the company has currently allocated a total of 453,406 B-shares to LTIP 2021 (including shares to finance social security contributions) and the company therefore holds 546,594 B-shares that are not required for LTIP 2021. Since the company estimates that not more than 1,000,000 shares will be required for this year’s program LTIP 2022, it is suggested that the AGM approves that at least 546,594 of the company’s current B-shares may be used for LTIP 2022 and that not more than 453,406 C-shares in the company shall be issued. These shares will be enough to cover allotment to employees at full performance and to cover the costs of the social security contributions that are expected to arise in connection with the allotment of the so-called Performance Shares (as defined below). To this, an assessment has been made that the average social security contributions and payroll overhead (considering all the countries in which employees whom can receive Performance Shares are located) when allotted are approximately 28 percent of the Performance Shares that may be allotted. This means that 780,000 shares are proposed to be available for allotment to employees and 220,000 are intended to be sold over the stock exchange to cover social security contributions and payroll overhead. In total, this means a maximum dilution for both incentive programs LTIP 2021 and LTIP 2022 of approximately 0.8 percent.

Definitions:

1. The Employment Condition refers to the employment conditions that employees must meet in order to be eligible to participate in the Program, namely either that the person (i) is a permanent or probationary employee of the Sectra Group for at least 50 percent of full time at the time of the annual general meeting on 8 September 2022, provided that the person in question then has commenced his or her employment and has not resigned or been dismissed from his employment or has retired or (ii) is deemed by the Remuneration Committee to fulfill the criteria for a Key Person (see below) and who commences his or her employment after the AGM on 8 September 2022 but not later than the day for the AGM 2023. Permanent and probationary employees who are on sick leave, on leave of absence or on parental leave are also covered by the program. The Board of Directors has the right to make exceptions from these terms if, according to the Board of Directors’ reasonable assessment, there are special reasons.
2. A Key Person is an employee who (i) makes extraordinarily strong contributions to the Sectra Group's development, (ii) is in a senior position, (iii) has particular specialist competence or (iv) in any other way is considered of special importance for the Sectra Group's development
3. The Qualification Period refers to 1 January 2023 - 31 December 2027.
4. A Performance Share refers to a Series B share in the company.
5. A Share Grant refers to a right to receive a Performance Share free of charge, provided that certain conditions are met. If the company carries out a bonus issue, split, aggregation of shares or a similar measure, as a result of which the number of shares in the company changes, the Board of Directors shall be entitled to recalculate the number of Performance Shares that the participants may be entitled to at a conversion of a Share Grant, if the Board of Directors considers such a recalculation to be called for with reference to the purpose of LTIP 2022.

Summary

LTIP 2022 is proposed to include all employees in the Sectra Group whom meet the Employment Condition, meaning that LTIP 2022 is proposed to cover a maximum of 1,100 people. Persons employed after the AGM are not covered by the program, unless the Remuneration Committee considers them to be Key Persons and that they therefore should be part of the program.

The participants in LTIP 2022 will be allocated an individually determined number of Share Grants, which will result in a right to receive Performance Shares free of charge provided that certain conditions are fulfilled.

Distribution

LTIP 2022 shall comprise a maximum of 780,000 shares for allocation to employees, which means that a maximum of the corresponding number of Share Grants can be allotted.

Each employee shall be offered 200 Share Grants.

In addition, according to the Board of Directors' instructions, Key Persons can be allocated Share Grants up to a total number of not more than 20,000 Share Grants per person.

The Board of Directors shall, no later than 15 November 2022, ensure that the terms and distribution of Share Grants are made accessible for eligible employees. Employees who wish to participate in the Program must, no later than 1 December 2022, give notice whether they wish to participate.

Terms

Share Grants shall be allotted free of charge, after the participant has entered into an agreement with Sectra relating to the allotment of Share Grants and in which the terms of participation are described in more detail. Allotment shall be made no later than 31 December 2022.

The right to receive Performance Shares is earned during the Qualification Period. Share Grants may not be transferred, pledged or otherwise transferred to others, with the exception of the participant's estate.

In order to be able to exercise a Share Grant and thereby obtain a Performance Share, the following performance conditions ("Performance Conditions") must be met:

- A. The participant must have fulfilled the Employment Condition during the entire Qualification Period. If the participant leaves the employment during a calendar year, the participant is not considered to have been employed at all during such calendar year, but still during previous calendar years during the Qualification Period. The more detailed conditions for participants entitlement to receive Performance Shares, even if they are leaving their employment, shall be determined by the Board of Directors.
- B. For employees in companies other than Sectra Communications AB and its subsidiaries (the Sectra Communications Group), Sectra must for each calendar year during the Qualification Period have achieved (1) at least one "Best in KLAS" (in any category) in the employee's own region and (2) first, second or third place in "Best in KLAS for PACS / Radiology for large hospitals" in the USA. The term region shall mean (i) for employees in the United States: the United States, (ii) for employees in Canada: Canada, (iii) for employees in Europe (including Sweden): Europe and (iv) for employees in ANZ: Asia Pacific. For employees within central functions in Sweden (i.e. Sectra AB, Sectra Imaging IT Solutions AB, Sectra Education AB and Sectra Orthopaedics AB) and employees outside the regions of the United States, Canada, Europe and Asia Pacific Sectra shall, as regards performance criteria (1), for each

calendar year during the Qualification Period have achieved at least two “Best in KLAS” in any category in any of the regions.

If for a particular year KLAS would not grant these awards or the conditions for participating in KLAS’ evaluations would change, Sectra’s Board of Directors may determine that a different customer satisfaction criteria should be used for that particular year.

Best in KLAS means that Best in KLAS which is granted a particular year (typically in the beginning of the year) and is determinative for the fulfillment of the performance criteria for the calendar year to which the award makes reference. Example: if Sectra achieves Best in KLAS 2023 that award is relevant for the fulfillment of the performance criteria 2023.

- C. For employees in the Sectra Communications Group, for each calendar year during the Qualification Period, the Sectra Communications Group must have achieved (1) an operating margin (EBIT margin) of at least 10 percent, as regards the financial year 2022/2023, and of at least 15 percent, as regards subsequent financial years and (2) a turnover growth of at least 10 percent compared to the previous year. In case of an acquisition or a transfer of a business during a particular year, the Sectra’s Board of Directors shall determine what impact it will have on the performance criteria.

For the Sectra Communications Group the final accounts that occurs in a particular calendar year shall be determinative for the fulfillment of the performance criteria that particular calendar year. Accordingly, it is the operating margin and turnover growth for the financial year that comes to an end during a particular calendar year that is relevant for the fulfillment of the performance criteria. Example: For the calendar year 2023 it is therefore the final accounts for the financial year 2022/2023 that is relevant.

- D. In the event of transitions between the Sectra Communications Group and other companies within the Sectra Group, the criteria for the program you leave will apply up to and including the calendar year during which the transition occurs and the program to which you transition shall be applied from the first full calendar year after the transition has taken place.

For each calendar year during the Qualification Period that one of the above-mentioned Performance Conditions has not been met, one tenth of the participant's all Share Grants shall lapse. When allocating Performance Shares, the total sum of the number of Share Grants is rounded down to the nearest whole number.

Allotment of Performance Shares takes place within 60 days from the end of the Qualification Period.

Taxation

LTIP 2022 has been designed in such way that participants are normally taxed for the benefit of receiving shares only the income year in which the Performance Shares are received, however, the tax rules may be different in some countries where Share Grants are granted. The taxable benefit value that arises is normally calculated as the share's market value when it is received. The benefit value is normally taxed for the participants as income from employment, which means that social security contributions will be levied on the employer.

Preparation of the proposal

LTIP 2022 has been prepared by the company's Board of Directors in consultation with external advisors and has been processed by the Board of Directors at a meeting on 5 July 2022.

Design and handling

The Board of Directors shall be responsible for the detailed design and handling of LTIP 2022, within the framework of the specified terms and instructions, including provisions for recalculation in the event of changes in Sectra's capital structure such as intermediate bonus issue, split, aggregation of shares or a similar measure, as a result of which the number of shares in the company changes. In connection with this, the Board of Directors shall have the right to make adjustments to comply with special foreign rules or market conditions. If there are significant changes in the Sectra Group or its surroundings, which would mean that decided conditions for the allocation and vesting of Share Grants according to LTIP 2022 are no longer appropriate, the Board of Directors shall have the right to make other adjustments. Before the Board of Directors decides on vesting and payment in accordance with the terms of the Share Grants, the Board of Directors shall determine whether the outcome from LTIP 2022 is reasonable. This determination shall be performed in relation to the company's financial results and position, the conditions on the stock market and otherwise. If the Board of Directors, in its determination, concludes that the outcome is not reasonable, the Board of Directors shall be able to reduce the number of Class B shares to be allotted.

Receipt of Performance Shares in accordance with LTIP 2022 and hedging measures

In order to be able to implement LTIP 2022 in a cost-effective and flexible manner, the Board of Directors has considered different methods for transferring Class B shares to participants who have been allocated Share Grants. The Board of Directors has found the most cost-effective alternative to be, and therefore proposes that the annual general meeting resolves

- A. to authorize the Board of Directors to decide on a directed issue of a maximum of 453,406 C shares to the bank that the company engages, in order to facilitate the delivery of Performance Shares and financing of costs for social security contributions under LTIP 2022 (see paragraph 19 (b) below), and
- B. to authorize the Board of Directors to resolve on the repurchase of all issued C shares in accordance with below (see item 19 (b) below).

Following the conversion of the repurchased C shares into B shares, the B shares will be transferred after the expiry of the Qualification Period partly free of charge to participants in LTIP 2022 and partly through the stock exchange to finance the costs of social security contributions related to LTIP 2022. For this purpose, the Board of Directors proposes that the annual general meeting resolves on

- C. the transfer of a maximum of 780,000 own B shares to participants in accordance with LTIP 2022 and a maximum of 220,000 B shares on the stock exchange to finance costs for social security contributions due to LTIP 2022 (see item 19 (c) below).

Costs and impact on important key ratios

Assuming a share price of SEK 135 upon allotment of the Share Grants, and a share price of SEK 205 when shares are transferred upon vesting and expected outcome for LTIP 2022, the cost, including estimated costs for social security contributions, is estimated to amount to approximately SEK 120.7 million for the entire period of five years. This corresponds to approximately 12.8 percent of the Sectra Group's salary costs for 2022. The finally reported cost depends on the degree to which performance and employment conditions are met and on the value development of Sectra's share price. The costs of administering the program will be minimized and taken on an ongoing basis but is estimated to a maximum of 5 percent of the total scope of the program.

LTIP 2022 will be reported in accordance with IFRS 2 Share-based Payments (Sw: *Aktierelaterade ersättningar*) and the cost of social security contributions will be reported in accordance with UFR 7 IFRS 2 and social security contributions for listed companies (Sw: *IFRS 2 och sociala avgifter för*

noterade företag). This means that the fair value of the Share Grants when allocating the Share Grants will be recognised as an employee cost and accrue over the vesting period, based on ongoing assessments and finally on the final outcome of the performance and employment conditions. The cost of social security contributions is accrued in a corresponding manner but on an ongoing basis and finally upon vesting based on the current share price.

Dilution of existing shares and votes

With a maximum allotment of Performance Shares, up to 780,000 Class B shares may be allotted to participants in accordance with LTIP 2022 and 220,000 Class B shares may be used to finance the cost of social security contributions as a result of LTIP 2022, which means a maximum dilution effect for both incentive programs LTIP 2021 and LTIP 2022 of about 0.8 percent.

Resolution on authorizing the Board of Directors to resolve upon (i) a new issue of shares of series C and (ii) the repurchase of series C shares (item 19 b)

Authorization for the Board of Directors to resolve upon the issue of C shares

The Board of Directors proposes that the AGM resolves to authorize the Board of Directors to increase the company's share capital by a maximum of SEK 90,681.20 through the issue of a maximum of SEK 453,406 C shares, on one or more occasions, up until the AGM 2023. The new shares shall, with deviation from the shareholders' preferential rights, be subscribed for by such bank with which the company signs a cooperation agreement to facilitate the delivery of Performance Shares and financing of social security costs under the long-term incentive programs LTIP 2022 at a subscription price corresponding to the quota value. Payment shall be made in cash. The purpose of the authorization and the reason for the deviation from the shareholders' preferential rights in carrying out the issue is to ensure delivery of shares to participants in accordance with LTIP 2022 and to cover any social security costs due to LTIP 2022.

Authorization for the Board of Directors to resolve upon repurchase of own C shares

The Board of Directors proposes that the AGM resolves to authorize the Board of Directors to, on one or more occasions, resolve upon the repurchase of class C shares up until the AGM 2023. Repurchases may only take place through an acquisition offer addressed to all holders of class C shares and shall include all outstanding class C shares. Acquisitions must be made at a price corresponding to the share's quota value. Payment for acquired C shares must be made in cash. The purpose of the proposed repurchase authorization is to ensure delivery of Performance Shares in accordance with the long-term performance-based incentive programs LTIP 2022 and to cover any social security costs due to LTIP 2022.

Resolution on the acquisition of class C shares may only be made provided that the company's holding of its own shares at any given time does not exceed 10 percent of all shares in the company (including such shares that are acquired in accordance with item 21 below).

Resolution on transfer of series B shares (paragraph 19 c)

The Board of Directors proposes that the AGM resolves that (after conversion from C shares) a maximum of 780,000 class B shares may be transferred to participants in accordance with the terms of LTIP 2022, and that a maximum of 220,000 class B shares may be transferred on Nasdaq Stockholm, including by way of a financial intermediary, at a price within the price range registered at any given time, to finance social security costs in accordance with the terms of LTIP 2022. The number of shares that can be transferred may be recalculated as a result of intermediate bonus issue, split, aggregation of shares or a similar measure, as a result of which the number of shares in the company changes.

Resolution regarding authorization for the Board of Directors to issue new shares (item 20)

The Board of Directors proposes that the AGM resolves to authorize the Board of Directors to issue, on one or several occasions, during the period until the next AGM, not more than 18,500,000 Class B shares for payment in cash, payment by set-off of claims or payment in kind, and that for issues where payment is made by set-off of claims, the Board of Directors shall be able to disregard the shareholders' preferential rights. The subscription price of the new shares shall be determined on the basis of the prevailing market price of the Class B shares at the time of the issue. The purpose of the authorization is to facilitate the use of newly issued shares in connection with the implementation of or for the financing of acquisitions of companies or businesses or parts thereof and in connection with market investments.

A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the AGM.

Resolution regarding authorization for the Board of Directors to acquire and dispose of the company's own shares (item 21)

The Board of Directors proposes that the AGM resolves to authorize the Board of Directors to, on one or several occasions, during the period until the next AGM, resolve on the acquisition of shares of the company. Such shares may be acquired up to a maximum amount not at any time exceeding 10 percent of the total number of shares issued by the company (including such shares that are acquired for the fulfillment of incentive programs). Acquisitions of shares shall be made either on Nasdaq Stockholm at a purchase price within the range of share prices registered at any given time for the Class B shares, meaning the spread between the maximum buying rate and the minimum selling rate, or by way of an offer to all shareholders, whereby the purchase shall be made at a price which at the time of the decision corresponds at a minimum to the prevailing market price for the Class B shares and at a maximum to 150 percent of the prevailing market price for the Class B shares. The same price shall apply for Class A shares and Class B shares.

The Board of Directors also proposes that the Board of Directors shall be authorized to resolve, on one or several occasions during the period until the next AGM, to dispose all shares held by the company, via Nasdaq Stockholm or in connection with the acquisition of companies or businesses or parts thereof, in connection with market investments, for hedging costs that may arise relating to the company's incentive programs and for a continuous adaptation of the company's capital structure and thereby contributing to increased shareholders' value. The shareholders shall have a preferential right to acquire the shares in accordance with the provisions in the articles of association regarding the preferential right to subscribe for new shares, provided that the board of directors shall be entitled to deviate from the preferential right if the shares are paid for by way of set-off or if the purpose with the disposal is to secure the costs that arise as a result of the company's incentive program. A disposal of shares via Nasdaq Stockholm may only be made at a price within the range of share prices registered at any given time.

A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the AGM.

The Board of Directors' motivated statement in accordance with Chapter 19, Section 22 is set forth in **Appendix 6**.

Appendix 1
Remuneration report

Remuneration Report 2021/2022 for Sectra AB

Introduction

This report describes how the guidelines for remuneration to senior executives in Sectra AB, adopted by the 2020 Annual General Meeting, were implemented in 2021/2022. This report also contains information on remuneration to the President and Executive Vice Presidents as well as a summary of share-based incentive programs, both outstanding and concluded during the year. This report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Additional information on remuneration to senior executives is provided in Note 3 (Employees and personnel costs) on pages 96–98 of Sectra's Annual Report and Sustainability Report for 2021/2022. Information on the work of the Remuneration Committee during the fiscal year is provided in the Corporate Governance Report on pages 58–63.

Board fees are not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and is reported in Note 3 on pages 96–98 of the 2021/2022 Annual Report. No remuneration above and beyond the Board fees resolved by the Annual General Meeting were paid out during 2021/2022.

Sectra's performance in 2021/2022

The CEO summarizes the company's overall performance in his statement on pages 10–12 of Sectra's Annual Report and Sustainability Report for 2021/2022. A more detailed account of the company's performance is presented in the Administration Report on pages 64–83.

The company's remuneration guidelines: scope, purpose and deviations

One prerequisite for successfully implementing the company's business strategy and safeguarding its long-term interests, including its sustainability, is the company's ability to recruit and retain qualified employees. To this end, the company must offer competitive remuneration. The company's remuneration guidelines make it possible to offer senior executives competitive total remuneration. In certain years, in addition to the remuneration covered by the remuneration guidelines, the company's Annual General Meeting has resolved on the introduction of long-term share-based incentive programs.

In accordance with the guidelines, the terms and conditions must emphasize remuneration after performance, and vary in relation to the individual's performance and the Group's earnings. Remuneration to senior executives is to be on market terms and can consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Variable cash remuneration is to be based on predetermined and measurable criteria. These criteria should be based on:

- (i) financial earnings (profit, financial efficiency and sales) or alternately operational goals that over the long term are felt to lead to solid financial results;
- (ii) share-based goals; and
- (iii) non-financial goals such as sustainability, customer satisfaction, quality and corporate culture.

They should also consist of individually adapted quantitative or qualitative goals. The criteria are to be designed to promote the company's business strategy and long-term interests, including its sustainability. In addition to variable remuneration that executives may receive in accordance with these guidelines, the Board of Directors may decide that such executives could be covered by programs for variable remuneration that also cover personnel categories other than senior executives such as all employees in the Group or in a particular business area. Such programs must entitle all employees (regardless of position) to the possibility of the same nominal remuneration. The complete guidelines are presented on pages 67–69 of the company's Annual Report and Sustainability Report for 2021/2022.

In 2021/2022, the company complied with the applicable remuneration guidelines adopted by the Annual General Meeting. No deviations from the guidelines occurred, and no deviations occurred from the decision-making process that

is to be applied in accordance with the guidelines to establish the remuneration. No repayment of remuneration has been demanded. The auditor's statement on the company's compliance with the guidelines is available at <https://investor.sectra.com/agm2022>.

Remuneration to the President and Executive Vice Presidents

Total remuneration to the President and CEO and Executive Vice Presidents in 2021/2022 (SEK thousand)

Name of executive (position)	Year	Fixed remuneration (basic salary incl. vacation pay)	Variable remuneration	Share of fixed and variable remuneration (%)	Pension	Benefits
Torbjörn Kronander (President and CEO of Sectra AB)	21/22 20/21	3,862 3,811	1,820 1,218	68/32 76/24	924 498	N/A N/A
Marie Ekström Trägårdh (Executive Vice President of Sectra AB and President of the Imaging IT Solutions business area) ¹	21/22 20/21	3,014 2,885	1,110 1,265	73/27 70/30	664 413	N/A N/A
Simo Pykälistö (Executive Vice President of Sectra AB and President of the Secure Communications business area) ^{1, 2}	21/22 20/21	1,277 1,298	0 53	100/0 96/4	311 276	71 78

¹ The Executive Vice Presidents have received remuneration from other companies in the Group.

² Decided to step down, with employment terminated on March 25, 2022.

Application of performance criteria

The performance criteria for variable remuneration for the President and Executive Vice Presidents have been selected in order to realize the company's strategy and to encourage behavior that is in the long-term interests of the company. The strategic goals as well as short-term and long-term business priorities for 2021/2022 were taken into account in the selection of performance criteria. The non-financial performance criteria also contribute to the adaptation to sustainability as well as the company's values.

Performance of the President and Executive Vice Presidents during the reported fiscal year: variable cash remuneration (SEK thousand)

Name of executive (position)	Description of the criteria related to variable remuneration components	Year	Actual award
Torbjörn Kronander (President and CEO of Sectra AB)	Financial performance targets EBIT \geq 15% and growth of EBIT per share \geq 50% over a five-year period	21/22 20/21	1,820 1,218
Marie Ekström Trägårdh (Executive Vice President of Sectra AB and President of the Imaging IT Solutions business area)	Customer satisfaction, financial performance and growth targets, increased shareholding, etc.	21/22 20/21	1,110 1,265
Simo Pykälistö (Executive Vice President of Sectra AB and President of the Secure Communications business area)	Financial performance and sales targets, increased shareholding, etc.	21/22 20/21	0 53

Share-based incentive programs

Long-term share-based incentive programs in the form of convertible programs have been introduced at the company in certain years. These programs have been targeted at employees in the Group as well as members of the Board. The participants subscribed for convertibles under terms resolved by the Annual General Meeting. The programs targeted at employees have terms of three years, and the programs targeted at the Board have terms of four years.

A program targeted at employees was converted during the fiscal year; refer to the information in Note 3 on pages 96–98 of the 2021/2022 Annual Report. As of April 30, 2022, one convertible program targeted at the Board remains to be converted.

In the 2021/2022 fiscal year, two new performance-based share programs (long-term incentive programs) were introduced for all employees. One program is for North America (LTIP NA) and one is for employees in the rest of the world (LTIP SROW). The vesting period is January 1, 2022 to December 31, 2026. The prerequisites for vesting are continued employment and holdings of so-called savings shares throughout the entire vesting period. In addition, there are a number of performance conditions as described below:

For all participants in the programs, aside from those employed by Sectra Communications AB and its subsidiary (Sectra Communications Group):

- Sectra has received at least one “Best in KLAS” per calendar year during the vesting period.
- Sectra has won at least first, second or third place in the category “Best in KLAS for PACS/Radiology for large hospitals” in the US per calendar year during the vesting period.

For all participants in the programs who are employed by Sectra Communications Group:

- Sectra Communications Group has achieved an operating margin of at least 15% each calendar year during the vesting period.
- In each calendar year during the vesting period, Sectra Communications Group achieved earnings growth (EBIT) of at least 8% compared with the preceding year.

For each calendar year in which any of the performance prerequisites are not achieved, one-tenth of the allotted share awards expire. One share award pertains to the right to receive a performance share free of charge provided that the above conditions are met. One performance share comprises one Class B share in Sectra AB.

Holdings of the President and Executive Vice Presidents in outstanding long-term incentive programs (LTIP SROW)

(SEK thousand)

Name of executive (position)	Number of share awards allotted	Number of expired share awards	Number of vested performance shares	Number of not yet vested performance shares	Theoretical value on allotment ¹
Torbjörn Kronander (President and CEO of Sectra AB)	20,000	0	4,000	16,000	3,081,200
Marie Ekström Trägårdh (Executive Vice President of Sectra AB and President of the Imaging IT Solutions business area)	20,000	0	4,000	16,000	3,081,200

¹ Based on a share price of SEK 154.06.

Comparative information pertaining to changes in remuneration and the company's performance

Changes in remuneration and the company's performance over the last five reported fiscal years

Changes in remuneration (SEK thousand)

Position of executive	21/22 vs 20/21 (% change)	20/21 vs 19/20 (% change)	19/20 vs 18/19 (% change)	18/19 vs 17/18 (% change)	17/18 vs 16/17(% change)
President and CEO	1,079 (19.5%)	1,118 (25.4%)	709 (19.2%)	141 (4.0%)	-6 (-0.2%)
Executive Vice Presidents	186 (3.0%)	914 (17.3%)	148 (2.9%)	278 (5.7%)	554 (12.9%)

Changes in Group earnings (SEK million)

	21/22 vs 20/21 (% change)	20/21 vs 19/20 (% change)	19/20 vs 18/19 (% change)	18/19 vs 17/18 (% change)	17/18 vs 16/17 (% change)
Net sales	317 (19.4%)	-29 (-1.7%)	248 (17.5%)	204 (16.9%)	84 (7.5%)
Operating profit	33 (9.5%)	55 (18.5%)	60 (25.4%)	21 (9.9%)	19 (9.9%)
Net profit for the year	39 (14.3%)	38 (16.1%)	38 (19.3%)	14 (7.7%)	31 (20.1%)

Annual change in average remuneration to other employees (FTEs) (SEK thousand)

	21/22 vs 20/21 (% change)	20/21 vs 19/20 (% change)	19/20 vs 18/19 (% change)	18/19 vs 17/18 (% change)	17/18 vs 16/17 (% change)
Sectra AB	8 (1.5%)	40 (8.2%)	51 (11.7%)	12 (2.9%)	45 (11.7%)

Linköping, date as indicated by our electronic signature

Sectra AB
Board of Directors

Appendix 2

**The Board of Directors' explanatory statement in accordance with
Chapter 20, Section 8 of the Swedish Companies Act**

The Board of Directors' statement in accordance with Chapter 20, Section 8 of the Companies Act (2005:551)

The Board of Directors of Sectra AB (publ), reg. no 556064-8304, hereby presents the following statement in accordance with Chapter 20, Section 8 the Companies Act (2005:551), regarding the proposed resolution to decide on a reduction of the share capital with repayment to the shareholders.

The Board of Directors reasons for the proposed resolution to decide on the reduction of the share capital to be in accordance with the provisions of Chapter 17, Section 3, para. 2 and 3 of the Companies Act (2005:551) are the following:

The objects, scope and risks of the business

The objects and scope of business of the company are set out in the articles of association and the annual reports submitted. The business operated by the company does not entail risks in excess of those that exist or may be deemed to exist in the industry or those risks which are generally associated with operating a business.

The financial position of the company and the group

The financial position of the company and the group as at April 30, 2022 is stated in the most recent annual report. The annual report also states which accounting principles have been applied in the valuation of assets, allocations and liabilities.

The non-restricted equity in the parent company and the group's retained profits amounted to SEK 414.4 million and SEK 575.1 million respectively at the end of the 2021/2022 financial year.

The proposed resolution to decide on the reduction of the share capital sets out that the Board of Directors proposes that the share capital is reduced by SEK 19,366,232.50 through the redemption of 13,103,460 Class A shares and 180,558,865 Class B shares for repayment to the shareholders. The proposed amount to be paid for each redemption share is SEK one (1), which equals a total redemption amount of SEK 193,662,325 (provided that the final redemption amount will be less to the extent the Company itself owns shares on the record date), which is 28.5 percent of the company's shareholder equity and 17.9 percent of the group's shareholder equity at the end of the financial year. The Board of Directors proposes that the company's share capital is restored to its original amount by increasing the company's share capital by SEK 19,366,232.50 through a bonus issue without issuing new shares via a transfer from the company's unrestricted equity to the company's share capital. After the bonus issue has been completed the company's restricted equity and share capital will be restored to its original amount.

The annual report sets out, among other things, that the company's equity debt ratio as at 30 April 2022 amounted to 49.3 percent. The proposed reduction of the share capital does not jeopardise the completion of investments which are deemed to be necessary.

The company's and group's financial position does not give rise to any other conclusion than that the company can continue its business and that the company can be expected to fulfil its obligations on both a short and long-term basis.

The Board of Directors is of the opinion that the size of shareholder equity as stated in the most recently delivered annual report is in reasonable proportion to the scope of the company's and the group's business and the risks connected with the running of the company, after taking into account the proposed resolution on the reduction of the share capital.

The justification of the proposed resolution regarding the reduction of the share capital

With reference to the above and to what has otherwise come to the knowledge of the Board of Directors, the Board of Directors is of the opinion that after a comprehensive review of the financial position of the company, the proposed reduction of the share capital is justified having regard to the provisions of Chapter 17, Section 3, para. 2 and 3 of the Companies Act, i.e. with reference to the demands that the objects of the business, its scope and risks place on the size of the company's and group's equity and the company's and the group's consolidating requirements, liquidity and financing needs in general.

Linköping on the date as indicated by our electronic signature

Sectra AB (publ)

The Board of Directors

Jan-Olof Brüer
Chairman of the Board

Torbjörn Kronander
Member of the Board
CEO and President of Sectra
AB

Fredrik Robertsson
Member of the Board

Christer Nilsson
Member of the Board

Jonas Yngvesson
Member of the Board

Tomas Puusepp
Member of the Board

Anders Persson
Member of the Board

Birgitta Hagenfeldt
Member of the Board

Filip Klintenstedt
Member of the Board
Employee Representative

Andreas Örnéus
Member of the Board
Employee Representative

Appendix 3

**The auditor's statement in accordance with
Chapter 20, Section 8 of the Swedish Companies Act**

Revisorns yttrande enligt 20 kap 8 § andra stycket aktiebolagslagen (2005:551) om förslag om minskning av aktiekapitalet

Statement by the auditor pursuant to Chapter 20 Section 8 of the Swedish Companies Act (2005:551) regarding the board of directors' proposal concerning reduction of share capital

Till bolagsstämman i Sectra AB (publ), org.nr 556064-8304

To the general meeting of Sectra AB (publ), reg. no 556064-8304

Vi har granskat styrelsens förslag om minskning av aktiekapital daterat den 5 juli 2022.

We have reviewed the Board of Directors' proposal to reduce the share capital dated July 5, 2022.

Styrelsens ansvar för förslaget/Responsibility of the Board of Directors for the proposal

Det är styrelsen som har ansvaret för att ta fram förslaget om minskning av aktiekapital enligt aktiebolagslagen och för att det finns en sådan intern kontroll som styrelsen bedömer nödvändig för att kunna ta fram förslaget utan väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

The Board of Directors is responsible for the preparation and fair presentation of the proposal in accordance with the Swedish Companies Act, and for such internal control as the Board of Directors determine is necessary to enable the preparation of the proposal that is free from material misstatement, whether due to fraud or mistake.

Revisorns ansvar/Auditor's responsibility

Vår uppgift är att uttala oss om minskning av aktiekapital på grundval av vår granskning. Vi har utfört granskningen enligt FARs rekommendation RevR 9 Revisorns övriga yttranden enligt aktiebolagslagen och aktiebolagsförordningen. Denna rekommendation kräver att vi planerar och utför granskningen för att uppnå rimlig säkerhet att styrelsens redogörelse inte innehåller väsentliga felaktigheter. Revisionsföretaget tillämpar ISQC 1 (International Standard on Quality Control) och har därmed ett allsidigt system för kvalitetskontroll vilket innefattar dokumenterade riktlinjer och rutiner avseende efterlevnad av yrkesetiska krav, standarder för yrkesutövningen och tillämpliga krav i lagar och andra författningar.

Our responsibility is to express a statement regarding the reduction of the share capital based on our review. We have conducted our review in accordance with Recommendation RevR 9 issued by Far (the Swedish professional institute for accountants and auditors) regarding the auditor's statements in accordance with the Swedish Companies Act and the Swedish Companies Ordinance. This recommendation requires that we plan and perform the review to obtain reasonable assurance about whether the report is free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Vi är oberoende i förhållande till Sectra AB (publ) enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

We are independent in regard to Sectra AB (publ) in accordance with generally accepted auditing standards in Sweden and otherwise fulfilled our ethical responsibilities under these requirements.

Granskningen innefattar att genom olika åtgärder inhämta bevis om finansiell och annan information i styrelsens förslag. Revisorn väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i förslaget, vare sig dessa beror på oegentligheter eller misstag. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur styrelsen upprättar förslaget i syfte att utforma granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i den interna kontrollen. Granskningen omfattar också en utvärdering av

The English text is an in-house translation. In the event of any differences between this translation and the original Swedish version, the latter shall prevail.

ändamålsenligheten och rimligheten i styrelsens antaganden. Vi anser att de bevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

The review involves performing procedures to obtain evidence about the amounts and disclosures in the proposal. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in the proposal, whether due to fraud or mistake. In making those risk assessments, the auditor considers internal control relevant to the Board of Directors' preparation and fair presentation of the proposal in order to design review procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. The review has also included an assessment of the appropriateness and the reasonableness of the assessments made by the Board of Directors'. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our statement.

Uttalande/Statement

Vi tillstyrker styrelsens förslag om minskning av aktiekapitalet för återbetalning till aktieägarna och för avsättning till fritt eget kapital.

We recommend the general meeting to resolve to reduce the share capital for repayment and offset to free fund in accordance Board of Directors' proposal.

Övriga upplysningar/Other disclosures

Detta yttrande har endast till syfte att fullgöra det krav som uppställs i 20 kap 8 § andra stycket aktiebolagslagen och får inte användas för något annat ändamål.

This statement is provided only for the purpose of fulfilling the requirements stipulated in Chapter 20, Section 8 of the Swedish Companies Act and may not be used for any other purpose.

Stockholm den 6 juli 2022

Stockholm, July 6, 2022

Ernst & Young AB

Andreas Troberg

Auktoriserad revisor

Authorized Public Accountant

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Andreas Troberg

Auktoriserad revisor

På uppdrag av: Ernst & Young AB

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Appendix 4

**The Board of Directors' statement in accordance with
Chapter 20, Section 13 of the Companies Act**

The Board of Directors' statement in accordance with Chapter 20, Section 13 of the Companies Act (2005:551)

The Board of Directors of Sectra AB (publ), reg. no 556064-8304, hereby makes the following statement regarding the proposal on reduction of the share capital, in accordance with Chapter 20, Section 13 para. 4 of the Companies Act (2005:551).

The proposed reduction of the share capital sets out that the Board of Directors proposes that the share capital is reduced by SEK 19,366,232.50 through the redemption of 13,103,460 Class A shares and 180,558,865 Class B shares, for repayment to the shareholders. The proposed repayment amounts to SEK one (1) per share, representing a total amount of SEK 193,662,325 (provided that the final redemption amount will be less to the extent the Company itself owns shares on the record date), representing 28.5 percent of the company's equity and 17.9 percent of consolidated shareholders' equity of the group at the end of the financial year 2021/2022. Distributable funds in the company at the end of the financial year 2021/2022 were SEK 414,295,589. The annual report shows that the equity debt ratio of the group was 49.3 percent as at April 30, 2022.

The Board of Directors' proposal entails a reduction of Sectra's share capital by SEK 19,366,232.50 from SEK 38,732,465 to SEK 19,366,232.50. In order to achieve a timely and efficient redemption procedure, without having to obtain permission from the Swedish Companies Registration Office or a court of law, the Board of Directors proposes to restore the company's share capital to its original amount by increasing the company's share capital by SEK 19,366,232.50 through a bonus issue without issuing new shares via a transfer from the company's unrestricted equity to the company's share capital.

Overall, the Board of Directors' proposal as described above means that distributable equity in Sectra, amounting to SEK 414,295,589 at the end of the financial year 2021/2022, decreases by SEK 193,662,325 to SEK 220,633,264. Upon completion of the bonus issue, the company's share capital will be restored to its original amount.

Linköping on the date as indicated by our electronic signature

Sectra AB (publ)

The Board of Directors

Jan-Olof Brüer
Chairman of the Board

Torbjörn Kronander
Member of the Board
CEO and President Sectra AB

Fredrik Robertsson
Member of the Board

Christer Nilsson
Member of the Board

Jonas Yngvesson
Member of the Board

Tomas Puusepp
Member of the Board

Anders Persson
Member of the Board

Birgitta Hagenfeldt
Member of the Board

Filip Klintenstedt
Member of the Board
Employee Representative

Andreas Örnéus
Member of the Board
Employee Representative

Appendix 5

**The auditors' statement in accordance with
Chapter 20, Section 14 of the Companies Act**

Revisorsyttrande enligt 20 kap. 14 § aktiebolagslagen (2005:551) över styrelsens redogörelse med uppgifter om särskilda inlösen villkor m.m.

Statement by the auditors in accordance with Chapter 20 section 14 of the Swedish Companies Act (2005:551) regarding the board of directors' report regarding special redemption terms and conditions etc.

Till bolagsstämman i Sectra AB (publ), org.nr 556064-8304
To the general meeting of Sectra AB (publ), reg. no 556064-8304

Vi har granskat styrelsens redogörelse med uppgifter om särskilda inlösen villkor daterad den 5 juli 2022.
We have reviewed the board of directors' report regarding special redemption terms dated July 5, 2022.

Styrelsens ansvar för redogörelsen / The board of directors' responsibility for the report

Det är styrelsen som har ansvaret för att ta fram redogörelsen enligt aktiebolagslagen och för att det finns en sådan intern kontroll som styrelsen bedömer nödvändig för att kunna ta fram redogörelsen utan väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

The board of directors is responsible for the report in accordance with the Swedish Companies Act and also for the existence of such internal control that the board of directors deems necessary in order to prepare the report without material misstatement, whether the material misstatements are due to improprieties or mistakes.

Revisorns ansvar / Responsibility of the auditor

Vår uppgift är att uttala oss om redogörelsen på grundval av vår granskning. Vi har utfört granskningen enligt FARs rekommendation RevR 9 *Revisorns övriga yttranden enligt aktiebolagslagen och aktiebolagsförordningen*. Denna rekommendation kräver att vi följer yrkesetiska krav samt planerar och utför granskningen för att uppnå rimlig säkerhet att styrelsens redogörelse inte innehåller väsentliga felaktigheter. Revisionsföretaget tillämpar ISQC 1 (International Standard on Quality Control) och har därmed ett allsidigt system för kvalitetskontroll vilket innefattar dokumenterade riktlinjer och rutiner avseende efterlevnad av yrkesetiska krav, standarder för yrkesutövningen och tillämpliga krav i lagar och andra författningar.

Our task is to provide opinion based on our review. We have performed the review in accordance with FAR's recommendation RevR 9 "Auditor's other statements according to the Companies Act and the Companies Regulation". This recommendation requires that we comply with professional ethics requirements and that we plan and perform the review in such a way as to ensure, with a limited degree of certainty, that the report does not contain any material inaccuracies. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Vi är oberoende i förhållande till Sectra AB (publ) enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

We are independent in regard to Sectra AB (publ) in accordance with generally accepted auditing standards in Sweden and otherwise fulfilled our ethical responsibilities under these requirements.

Granskningen innefattar att genom olika åtgärder inhämta bevis om finansiell och annan information i styrelsens redogörelse. Revisorn väljer vilka åtgärder som ska utföras, bland annat genom att bedöma riskerna för väsentliga felaktigheter i redogörelsen, vare sig dessa beror på oegentligheter eller misstag. Vid denna riskbedömning beaktar revisorn de delar av den interna kontrollen som är relevanta för hur styrelsen upprättar redogörelsen i syfte att utforma granskningsåtgärder som är ändamålsenliga med hänsyn till omständigheterna, men inte i syfte att göra ett uttalande om effektiviteten i den interna kontrollen. Granskningen omfattar också en utvärdering av ändamålsenligheten och rimligheten i styrelsens antaganden. Vi anser att de bevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för vårt uttalande.

The English text is an in-house translation. In the event of any differences between this translation and the original Swedish version, the latter shall prevail.

The review comprises, through various measures, collecting evidence of financial and other information in the report. The auditor selects which measures will be performed, by means of, among other things, assessing the risks of there being material inaccuracies in the report due to either improprieties or mistakes. In the risk assessment the auditor takes into account the parts of the internal control that are relevant for how the board of directors prepare the report in order to formulate the audit procedures that are appropriate according to the circumstances, but not for the purpose of expressing a statement on the effectiveness of the internal control. The review has also included an assessment of the appropriateness and the reasonableness of the assessments made by the board of directors. We believe that the evidence that we have obtained is a sufficient and appropriate basis for our opinion.

Uttalande / Opinion

Vi anser att de åtgärder som vidtas och som medför att varken bolagets bundna egna kapital eller dess aktiekapital minskar är ändamålsenliga och att de bedömningar som har gjorts om effekterna av dessa åtgärder är riktiga.

We believe that the measures to be taken and the special redemption terms and conditions are appropriate and the evaluations on the effects of these measures are accurate.

Övriga upplysningar / Other information

Styrelsen har i sin redogörelse redogjort för de åtgärder som föreslagits för att bolagets bundna egna kapital och bolagets aktiekapital inte skall minska. I samband med förslag till beslut om minskning av aktiekapitalet föreslår styrelsen att bolagsstämman även fattar beslut om fondemission medförande en ökning av aktiekapitalet om minst 19 366 232,50 kronor, varvid minskningen kommer vara villkorad av en ökning av aktiekapitalet minst motsvarande minskningen.

The board of directors have in their report proposed resolutions which ensures that neither the company's restricted equity nor share capital will decrease. In connection with the proposed decision on a reduction of the share capital, the board of directors also proposes that the general meeting resolves on a bonus issue resulting in an increase of the share capital of at least SEK 19,366,232.50, that will be conditional upon the resolution to increase the share capital of an amount no less than the reduction amount.

Detta yttrande har endast till syfte att fullgöra det krav som uppställs i 20 kap. 14 § aktiebolagslagen och får inte användas för något annat ändamål.

The sole purpose of this statement is to satisfy the requirement imposed by Chapter 20, section 14, of the Companies Act and the statement may not be used for any other purpose.

Stockholm den 6 juli 2022

Stockholm July 6, 2022

Ernst & Young AB

Andreas Troberg

Auktoriserad revisor

Authorized Public Accountant

The English text is an in-house translation. In the event of any differences between this translation and the original Swedish version, the latter shall prevail.

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Andreas Troberg

Auktoriserad revisor

På uppdrag av: Ernst & Young AB

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Appendix 6

**The Board of Directors' motivated statement in accordance with
Chapter 19, Section 22 of the Companies Act**

The Board of Directors' statement in accordance with Chapter 19, Section 22 of the Companies Act (2005:551)

The Board of Directors hereby presents the following statement in accordance with Chapter 19, Section 22 of the Companies Act (2005:551).

The Board of Directors' reasons for the proposed authorizations to repurchase the company's own shares being in accordance with the provisions of Chapter 17, Section 3, paragraphs 2 and 3 of the Companies Act are as follows:

The company's objects, scope, and risks

The company's objects and scope of business are set out in the Articles of Association and the annual reports provided. The business conducted by the company does not entail any risks in excess of those that exist or may be deemed to exist in the industry or those risks which are generally associated with operating a business.

The financial position of the company and the group

The financial position of the company and the group as at April 30, 2022 is stated in the latest annual report. The annual report also states which accounting principles are applied in the valuation of assets, allocations and liabilities.

The non-restricted equity in the parent company and the group's retained profits amounted to SEK 414.3 million and SEK 575.1 million respectively at the end of the 2021/2022 financial year.

The annual report states that the debt/equity ratio is 49.3 per cent. Authorization to purchase the company's own shares does not endanger the completion of any necessary investments.

The company's financial position does not give rise to any other conclusion than that the company can continue its business and that the company can be expected to fulfil its obligations on both a short and long-term basis.

In the opinion of the Board of Directors, the amount of shareholders' equity as reported in the latest annual report is in reasonable proportion to the scope of the company's operations and the risks associated with conducting operations in consideration of the authorization to repurchase the company's own shares now proposed.

Justification for the proposal to repurchase

With reference to the above and to what has otherwise come to the knowledge of the Board of Directors, the Board of Directors is of the opinion that after a comprehensive review of the financial position of the company and of the group it follows that the proposed authorization to repurchase the company's own shares is justified according to the provisions of Chapter 17, Section 3, paragraph 2 and 3 of the Swedish Companies Act, i.e. with reference to the requirements that the objects of the business, its scope and risks place on the size of the company's and group's equity and the company's and the group's consolidating requirements, liquidity and financing needs in general.

Linköping on the date as indicated by our electronic signature

Sectra AB (publ)

The Board of Directors

Jan-Olof Brüer
Chairman of the Board

Torbjörn Kronander
Member of the Board
CEO and President of Sectra
AB

Fredrik Robertsson
Member of the Board

Christer Nilsson
Member of the Board

Jonas Yngvesson
Member of the Board

Tomas Puusepp
Member of the Board

Anders Persson
Member of the Board

Birgitta Hagenfeldt
Member of the Board

Filip Klintenstedt
Member of the Board
Employee Representative

Andreas Örnéus
Member of the Board,
Employee Representative