

Notice of an extraordinary general meeting of SoftOx Solutions AS

Notice is hereby given of an extraordinary general meeting of SoftOx Solutions AS (the "**Company**").

Location: Martin Linges vei 25, 1364 Fornebu

Date: 30th of May 2023

Time: 10.00 am CEST.

The extraordinary general meeting (the "**EGM**") will be opened by the Chairman of the Board, Geir Almås, who will register the attendance of shareholders present and proxies.

Agenda:

1. ELECTION OF CHAIRMAN OF THE EXTRAORDINARY GENERAL MEETING

The board of directors proposes that chair of the meeting Geir Almås is elected to chair the meeting.

2. ELECTION OF A PERSON TO CO-SIGN THE MINUTES

The board of directors proposes that Ingrid Juven is elected to co-sign the minutes together with the chair of the meeting.

3. APPROVAL OF THE NOTICE AND THE AGENDA

The board of directors proposes that the general meeting passes the following resolution:

The notice and the agenda are approved.

4. BACKGROUND AND EQUAL TREATMENT CONSIDERATIONS

Reference is made to the stock exchange announcements by the Company on 11 May, 27 March and 13 March 2023 regarding the Company's efforts to secure and strengthen the Company's liquidity in the short and long term, and the Company's work to explore solutions to financially strengthen the Company.

On 11 May 2023, the Company announced that it had secured interim financing through a NOK 9 million funding from certain shareholders and investors. In the first round of funding, which may be increased to an aggregate amount of NOK 16 million, the funds will be 20% as equity and 80% as a loan to the Company's subsidiary Water Innovation AB (WIAB) (the "**WIAB Loan**"). The equity will be contributed in a private placement of minimum NOK 1.8 million and maximum NOK 3.2 million new shares at a subscription price per share of NOK 8 per new share (the "**Private Placement**"). The WIAB Loan, which will be in the aggregate of minimum NOK 7.2 million and maximum 12.8 million, will mature on 31 January 2024, at which point the interest accrued on the loan shall be 25%. The WIAB Loan may be converted to new shares in the Company at a subscription price of NOK 8 per share at maturity of the loan (i.e. in January 2024), or at an earlier capital raise in the Company, at the lenders discretion, provided, however, that in the event of an advance conversion of the WIAB Loan, the interests accrued on the individual lenders loan amount shall be reduced proportionally to reflect the shorter period of interests accrued.

Further, the board of directors proposes that the Company issues minimum 2,700,000 and maximum 4,800,000 warrants (the "**Warrants**"), to be finally determined when the final amount of funding in the first round has been fixed, and no later than on the day before for general meeting. The number of

Warrants shall be calculated as follows: The aggregate amount of the WIAB Loan multiplied by 3 and then divided by 8 (which is the offer price in the Private Placement). The Warrants are to be allocated amongst the lenders, proportionally to the respective amount of the WIAB Loan. Each Warrant will give the holder the right to subscribe for and be allocated one new share in the Company at a subscription price of NOK 8 per new share. 1/3 of the Warrants will expire on 31 January 2024, when Warrants can be exercised against conversion of debt, while the remaining 2/3 of the Warrants will expire on the date falling five years after issuance, i.e. on 29th of May 2028. The Warrants will not be transferrable.

Current shareholders who wish to participate in the WIAB Loan and the Private Placement with a total investment amount of minimum NOK 250,000 can contact the chairman of the Company. There can be no guarantee that shareholders are able or allowed to participate.

The net proceeds from the WIAB Loan will be used by WIAB to secure the Company's intellectual property and pay back a loan to the parent company (SoftOx Solutions AS). The net proceeds from the Private Placement will be used for general corporate purposes, including payment of some of the debt in the Company. At current cost and activity levels of the Company, and assuming the minimum capital raised (NOK 9 million) will give the Company a runway of approximately 6 months, any further capital raised in this first round will solely be used to partly pay down the Company's short-term debt, which is currently approx. NOK 20 million.

As part of program for financial restructuring of the Company, the Company has reduced the cost of running the Company from approx. NOK 8 million per month to approx. NOK 1 million per month. As part of that program, the management and members of the board have accepted to partly postpone payment of accrued and future salaries, board remuneration and consulting fees till end of 1st quarter 2024 with an aggregate amount of maximum NOK 6 million. The board of directors thus proposes to issue 2,250,000 warrants to be granted these employees and board members, free of charge and otherwise on the same terms and conditions as the Warrants. Provided, however that, 1/3 of the warrants granted must be exercised before 31 March 2024 and will be conditional on the employment or directorship not having been terminated at the time, while the remaining 2/3 of the warrants may be exercised within 29th of May 2028 with no such condition.

Further, as also announced in the 11 May 2023 stock exchange announcement, the Board of Directors intends to raise NOK 20 to 50 million in new equity by way of a rights issue or other structures, to be determined by the board of directors based on prevailing market conditions and terms deemed to be overall in the best interest of the Company. The board of directors has thus proposed that it is granted an authorisation to issue new shares.

The proposed resolutions regarding the Private Placement, issuances of warrants and authorisation to the board of directors to issue shares are required in order to secure the Company's funding need going forward. It will thus be proposed that items 5 – 7 are voted over jointly at the general meeting.

The Private Placement entails a deviation of existing shareholders' preferential rights to subscribe new shares in the Company. As further described in the stock exchange announcement from the Company on 23 May 2023, the board has considered the requirements for equal treatment of shareholders set out in the rules for issuers admitted to trading on Euronext Growth Oslo, and has concluded that the Private Placement is compliant with the equal treatment requirements to which the Company is subject. This is *inter alia* based on the Company's severely constrained liquidity situation, the Offer Price is at a premium compared to the trading price of the share on the date preceding this notice, that the Company has explored several financing solutions and concluded that the current proposal is considered necessary in order to secure the short-term liquidity needs of the Company. Further, a

repair issue is deemed to require too much resources and costs for the Company at this time, and the board of directors instead intends to carry out a rights issue or similar capital raise involving a broader shareholder base.

With respect to events following the last balance sheet date that are material for the Company, reference is made to interim reports, stock exchange announcements and information published by the Company through the Oslo Stock Exchange's information system.

5. PROPOSAL TO INCREASE SHARE CAPITAL IN CONNECTION WITH PRIVATE PLACEMENT

Based on the above, the Board proposes that the Company's general meeting passes the following resolution:

- (i) *The share capital of the Company shall be increased by minimum NOK 4,500 and maximum NOK 8,000 through the issuance of minimum 225,000 and maximum 400,000 new shares, each with a nominal value of NOK 0.02.*
- (ii) *The new shares are issued at a subscription price of NOK 8.00 per share.*
- (iii) *The new shares shall be subscribed by the chairman of the board of directors on behalf of, and in accordance with authorisation from, the investors which in advance of the general meeting have entered into an agreement with the Company for equity and loan, as further set out in the appendix to the minutes from the general meeting. The pre-emptive rights of the existing shareholders under section 10-4 of the Private Limited Companies Act are set aside in accordance with section 10-5 of the Private Limited Companies Act.*
- (iv) *Subscription for the new shares shall be made no later than 1st of July 2023 on a separate subscription form.*
- (v) *Payment of the subscription amount shall be made no later than 1st of July 2023 to a separate bank account for share issue purposes.*
- (vi) *The new shares shall carry rights to dividends from the date on which the capital increase is registered with the Register of Business Enterprises.*
- (vii) *The Company's estimated costs in connection with the capital increase are NOK 500,000 (excl. VAT).*
- (viii) *Section 4 of the articles of association shall be amended so as to reflect the share capital and number of shares after the share capital increase.*
- (ix) *The resolution is conditional upon the general meeting approving item 6, and will lapse if the item is not resolved.*

6. PROPOSAL TO ISSUE WARRANTS TO PARTICIPANTS IN THE FIRST FUNDING ROUND

Based on the above, the board proposes that the general meeting issues warrants to participants in the first funding round in accordance with chapter 11 of the Private Limited Companies Act, in which the shareholders' pre-emptive rights pursuant to the Private Limited Companies Act section 11-13 is set aside to accommodate the purpose of the subscription rights.

The Board thus proposes that the Company's general meeting passes the following resolution:

- (i) *The Company shall issue [•¹] warrants in accordance with the provisions of the Private Limited Companies Act section 11-12.*

¹ Final number of warrants to be issued will be determined and announced prior to the general meeting.

- (ii) *Each warrant shall give the holder the right to subscribe for one new share in the Company at a subscription price of NOK 8 per new share. The subscription amount for shares issued as a result of exercise of warrants within 31 January 2024, shall be settled by way of conversion of debt into new shares.*
- (iii) *The warrants will be granted free of charge and shall not be tradable.*
- (iv) *The warrants are to be subscribed by the participants in the private placement set out in section 5. The pre-emptive rights of the existing shareholders under section 11-13 (1) cf. section 10-4 of the Private Limited Companies Act are set aside.*
- (v) *Subscription of the warrants shall be made no later than 1 July 2023 on a separate subscription form.*
- (vi) *The warrants may be exercised by written notice to the Company as follows:*
 - a. *1/3 of the warrants shall be exercised within 31 January 2024.*
 - b. *2/3 of the warrants, with a minimum of 100,000 warrants or wholly if holders hold a lesser number of warrants, at any date prior to 29th of May 2028.*

After expiry of the relevant exercise periods, the relevant warrants will lapse with no compensation to the holder.

- (vii) *Shares to be issued as a result of the exercise of warrants shall carry rights to dividends from the date on which the relevant capital increase is registered with the Register of Business Enterprises.*
- (viii) *In the event of any split or consolidation of the Company's shares, the warrants shall be amended based on the same principles that are applied for the split or consolidation. No other corporate events shall affect the warrants. The warrants shall not carry any special rights in the event of a liquidation or transformation of the Company.*
- (ix) *The resolution is conditional upon the general meeting resolving the Private Placement.*

7. PROPOSAL TO ISSUE WARRANTS TO CERTAIN EMPLOYEES AND BOARD MEMBERS

Based on the above, the board proposes that the general meeting issues warrants to those employees and board members who have agreed to postpone payments pending improvement of the Company's liquidity, in accordance with chapter 11 of the Private Limited Companies Act, in which the shareholders' pre-emptive rights pursuant to the Private Limited Companies Act section 11-13 is set aside to accommodate the purpose of the subscription rights.

The Board thus proposes that the Company's general meeting passes the following resolution:

- (i) *The Company shall issue 2,250,000 warrants in accordance with the provisions of the Private Limited Companies Act section 11-12.*
- (ii) *Each warrant shall give the holder the right to subscribe for one new share in the Company at a subscription price of NOK 8 per new share. The subscription amount for shares issued as a result of exercise of warrants within 31 March 2024, shall be settled by way of conversion of debt into new shares.*
- (iii) *The warrants will be granted free of charge and shall not be tradable.*
- (iv) *The warrants are to be subscribed by the employees and board members set out in the appendix to the general meeting minutes. The pre-emptive rights of the existing shareholders under section 11-13 (1) cf. section 10-4 of the Private Limited Companies Act are set aside.*

- (v) *Subscription of the warrants shall be made no later than 1 July 2023 on a separate subscription form.*
- (vi) *The warrants may be exercised by written notice to the Company as follows:*
 - a. *1/3 of the warrants shall be exercised within 31 March 2024, and will be contingent on the employment or directorship (as applicable) not having been terminated.*
 - b. *2/3 of the warrants, with a minimum of 100,000 warrants or wholly if holders hold a lesser number of warrants, at any date prior to 29th of May 2028.*

After expiry of the relevant exercise period, the relevant warrants will lapse with no compensation to the holder.

- (vii) *Shares to be issued as a result of the exercise of warrants shall carry rights to dividends from the date on which the relevant capital increase is registered with the Register of Business Enterprises.*
- (viii) *In the event of any split or consolidation of the Company's shares, the warrants shall be amended based on the same principles that are applied for the split or consolidation. No other corporate events shall affect the warrants. The warrants shall not carry any special rights in the event of a liquidation or transformation of the Company.*

8. GENERAL AUTHORISATION TO INCREASE THE SHARE CAPITAL

Based on the above, and to secure the board maximum flexibility in terms of securing future equity to the Company, the Board proposes that the Company's general meeting passes the following resolution:

- (i) *The board of directors is authorized pursuant to the Private Limited Companies Act section 10-14 (1) to increase the Company's share capital in one or more rounds by up to NOK 105,678.71.*
- (ii) *The authorisation is effective from registration in the Norwegian Register of Business Enterprises and is valid until the annual general meeting to be held in 2024, however no later than 30 June 2024.*
- (iii) *The pre-emptive rights of the shareholders under section 10-4 of the Private Limited Companies Act may be set aside.*
- (iv) *The authority covers capital increases against contributions in cash and contributions other than in cash (including by way of conversion of debt cf. section 10-2 of the Private Limited Companies Act). The authority does not cover an increase of share capital through mergers in accordance with section 13-5 of the Private Limited Companies Act.*

* * *

This notice is an English translation. In case of discrepancies between the Norwegian official version and this English translation, the Norwegian version shall prevail.

This notice with attachments are posted on the Company's website.

Attendance at the general meeting, either in person or by proxy, must be registered within Friday the 26th of May 2023 at 13.00 CEST. Attendance can be registered by completing and submitting the attached registration or proxy form to IR email: ir@soft-ox.com Please refer to the attached forms for further instructions.

SoftOx Solutions AS is a Norwegian private limited liability company governed by Norwegian law, including the Norwegian Private Limited Liability Companies Act. The Company has, as of the date of this notice, issued 10,342,871 shares. Each share carries one vote. All shares have equal rights. The Company has, as of the date of this notice, no own shares.

Shareholders are entitled to attend the general meeting, either in person or by proxy. The Company still encourages shareholders to submit proxies with or without voting instructions in advance of the general meeting, as further described below. The individual shareholder may demand to participate electronically. Shareholders who wish to participate electronically must notify the Company of this by e-mail to ir@soft-ox.com no later than Friday the 26th of May 2023 at 13.00 CEST. Practical information for such participation will be provided to those it concerns before the general meeting.

Shareholders may appoint a proxy to attend and vote on their behalf. Proxies may be submitted by completing and submitting the proxy form attached as Appendix 3 in accordance with the instructions set out in the form. The proxy must be in writing, dated and signed. Proxy forms must be received by ir@soft-ox.com no later than Friday the 26th of May 2023 at 13.00 CEST. See the enclosed proxy form for further information on proxies. Proxies received prior to the general meeting may be considered withdrawn if the shareholder attends the general meeting in person.

Shareholders have the right to propose resolutions under the matters to be addressed by the general meeting, but note that the deadline for shareholders to put new matters on the agenda has lapsed cf. the Norwegian Private Limited Liability Companies Act section 5-11 second sentence. A shareholder may demand that board members and the chief executive officer provide available information at the general meeting about matters which may affect the assessment of items which have been presented to the shareholders for decision. The same applies to information regarding the Company's financial position and other business to be transacted at the general meeting, unless the information demanded cannot be disclosed without causing disproportionate harm to the Company. Shareholders are entitled to bring advisors, and may grant the right of speech to one advisor.

This notice, including appendices and the documents to be considered by the general meeting are also posted on the Company's website.

Oslo, 23rd of May 2023

Geir Almås

Chairman of the Board of Directors

Attachments:

Appendix 1: Notice of Attendance

Appendix 2: Proxy Form

NOTICE OF ATTENDANCE

Shareholders wishing to participate in the Extraordinary General Meeting to be held on 30th of May 2023 at 10 am CEST are kindly asked to complete and return this Attendance Slip to the Company's e-mail address at ir@soft-ox.com by Friday the 26th of May 2023 at 13.00 CEST.

Deadline for registration of attendance, proxies and instructions: Friday the 26th of May 2023, at 13:00 CEST.

The undersigned will virtually attend the extraordinary general meeting of SoftOx Solutions AS on 30th of May 2023 at Teams.

I own: _____ shares

I am proxy for: _____ shares (*please attach proxy form(s)*)

Signature: _____

Name _____ (block letters)

Place/date: _____

Please send the attendance form to: SoftOx Solutions AS, ir@soft-ox.com. Please make sure that the attendance form is received by the company no later than Friday the 26th of May 2023 at 13.00.

SoftOx Solutions AS

PROXY without voting instructions

As the owner of _____ shares in SoftOx Solutions AS, I/we hereby appoint

☐ the Chairman of the Board

☐ _____ (insert name)

to act as proxy and represent and vote on behalf of my/our shares at the extraordinary general meeting of SoftOx Solutions AS on 30th of May 2023.

Signature: _____ *

Name: _____ (upper case)

Shareholder: _____

Location/date: _____

Authorisation should be sent to: SoftOx Solutions AS, ir@soft-ox.com.

* If a proxy is issued on behalf of a company or other legal entity, a company certificate and/or authorisation must be attached to show that the signatory is authorised to act as proxy. If satisfactory documentation is not received, the person appointed to act as proxy is free to use or reject the proxy at his discretion.

SoftOx Solutions AS

PROXY with voting instructions

As the owner of _____ shares in SoftOx Solutions AS, I/we hereby appoint

☐ the Chairman of the Board

☐ _____ (insert name)

to act as proxy and represent and vote on behalf of my/our shares at the extraordinary general meeting of SoftOx Solutions AS on 30 May 2023.

If neither of the above options is ticked, the proxy will be deemed to be given to the Chairman of the Board. If the proxy has been given to the Chairman of the Board, the Chairman of the Board has the right to give another Board Member or member of the executive management the right to represent, and vote for, the shares covered by the proxy.

If the shareholder so wishes and the Chairman of the Board has been appointed to act as proxy, the voting instructions below may be completed and sent to the Company. Voting will take place for the shares in accordance with the instructions.

NOTE THAT ITEMS 5-7 ARE VOTED OVER JOINTLY

Voting instructions:

Resolution	For	Against	Abstain
1. Election of chairman of the extraordinary general meeting			
2. Election of a person to co-sign the minutes			
3. Approval of the notice and the agenda			
4. Background and equal treatment considerations			
5. Proposal to increase share capital in connection with Private Placement			
6. Proposal to issue warrants to participants in the first funding round			
7. Proposal to issue warrants to certain employees and board members			
8. General authorisation to increase the share capital			

If voting instructions have been given, the following applies:

- If 'For' is ticked, the proxy is instructed to vote for the resolution set out in the Notice with the changes that the Board of Directors, the Chairman of the Board or the Chairman of the Extraordinary general meeting may propose. In the event of changes to the proposals set out in the Notice, the proxy may at his discretion refrain from voting for the shares.
- If 'Against' is ticked, the proxy is instructed to vote against the resolution set out in the Notice with the changes that the Board, the Chairman of the Board or the Chairman of the Extraordinary general meeting may propose. In the event of changes to the proposals set out in the Notice, the proxy may at his discretion refrain from voting for the shares.
- If 'Abstain' is ticked, this means that the proxy is instructed not to vote for the shares.
- If no alternative is ticked, this means that the proxy is free to decide how to vote for the shares.
- In elections, instructions are limited and only apply to voting on the election of the candidates specified in the Shareholder Proxy Form.
- For voting on matters not included in the Notice, but which may properly come before the extraordinary general meeting, the proxy is free to decide how to vote for the shares. The same applies to voting on formal matters, e.g. election of chairman, voting order or voting method.
- If the shareholder has appointed a proxy other than the Chairman of the Board and wishes to give this person instructions on voting, this is a matter between the shareholder and the proxy which does not concern the Company. In this event, the Company does not assume responsibility for checking whether the proxy votes in accordance with his instructions.

Signature: _____ *

Name: _____ (upper case)

Location/date: _____

Authorisation should be sent to: SoftOx Solutions AS, ir@soft-ox.com.

* If a proxy is issued on behalf of a company or other legal entity, a company certificate and/or authorisation must be attached to show that the signatory is authorised to act as proxy. If satisfactory documentation is not received, the person appointed to act as proxy is free to use or reject the proxy at his discretion.