

ITEM 16 - DECISION ON PRIVATE PLACEMENT WITH PAYMENT BY SET-OFF OF THE CLAIM TO KENNETH KOH.

In April 2020, Zinzino AB acquired VMA Life Group. The acquisition was delayed due to Covid-19 but was completed in July 2020 when USD 0.2 million was paid via cash. The corresponding amount would be settled in Zinzino B shares via a deferred set-off issue. Then conditional additional purchase prices were added based on sales development in the future. The total additional purchase consideration amounted to a maximum of USD 1.15 million divided into 50% cash and 50% Zinzino B shares.

The Board decided to adjust the time period for the conditional additional purchase consideration according to SPA VMA dated 2020.04.01 when the COVID-19 effects worsened the conditions for Kenneth Koh to achieve the set sales targets in the original earnout model.

The Board of Directors now proposes that the Annual General Meeting resolves to issue 78,450 Series B shares to Kenneth Koh as payment for the first part of the transaction, which has been delayed from the time of acquisition. In addition, the Board of Directors proposes that the Annual General Meeting resolves to issue 15,866 Class B shares for the first part of the additional purchase consideration that expired in 2021 in accordance with the vesting period for the additional purchase consideration adjusted by the Board.

In total, the AGM proposes to decide to increase the share capital by SEK 9,432 by issuing 94,316 new Class B shares. A new B share entails the right to a dividend for the first time on the record date for dividends that falls immediately after the new share issue has been registered with the Swedish Companies Registration Office and the share has been entered in the share register at Euroclear Sweden AB. The right to subscribe for the 94,316 B shares belongs only to Kenneth Peow Swee Koh. Subscription of new shares shall take place on a separate subscription list no later than 15 June 2022, however, the Board shall have the right to extend the subscription period. Payment of the payment for the shares is made by offsetting Kenneth Peow Swee Koh's receivable from Zinzino AB amounting to SEK 2,928,370. The subscription price for each newly subscribed share amounts to SEK 31.05. The part of the subscription price that exceeds the quota value must be transferred to the free premium fund.

The reasons for deviation from the shareholders' preferential rights are to enable the acquisition from which the current offsetting receivable originates. The opportunity to carry out strategically important acquisitions for the company through directed new issues is of great operational importance to the company. According to the Board, this speaks together and with sufficient strength that it is in the company's and shareholders' interest to make an issue with deviation from the shareholders' preferential rights. The current subscription price follows the principles stated in the current share transfer agreement, which in turn was determined after far-reaching negotiations with the subscriber. The subscription price is thus considered by the Board to be market-based.

Decisions according to the above require the assistance of shareholders representing at least 9/10 of both the votes cast and the shares represented at the meeting.

Gothenburg, April 2022

Zinzino AB

Board of Directors