THE BOARD'S PROPOSAL REGARDING AN INCENTIVE PROGRAMME AND ISSUANCE OF WARRANTS

The board of directors Maha Energy AB (publ) (the "**Company**") proposes that the annual general meeting resolves on an incentive programme through issuance of warrants as set forth below. The warrants shall entitle to subscription of new shares of class A in the Company ("**Shares**").

Background

The proposal to launch an incentive programme by the issuance of warrants is presented by the board of directors of the Company in order to strengthen the retention of employees with the company group and to motivate the employees to create shareholder value. The board of directors assess that these objectives are in line with all shareholders' interests.

The programme encompasses employees employed by subsidiaries of the Company (together with the Company, the "**Group**"). Board members not employed by the Group are not allowed to participate. Those entitled to participate in the incentive programme are hereinafter referred to as "**Participants**".

Terms and conditions for the issue of warrants

1. The Company shall issue not more than 750,000 warrants. Each warrant entitles to subscription of one (1) new Share, each with a quotient value of SEK 0.011.

2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by Maha Energy Inc (the "**Subsidiary**"), a subsidiary of the Company, after which the Subsidiary is to transfer the warrants to the Participants in accordance with the resolution adopted by the general meeting and instructions from the board of directors of the Company.

3. Subscription of warrants shall be made by the Subsidiary on a subscription list following the general meeting's issue resolution. The board of directors of the Company shall be entitled to prolong the subscription period.

4. The warrants shall be issued without consideration (i.e. free of charge) to the Subsidiary.

5. If all issued warrants are subscribed for by the Subsidiary, transferred to and exercised by the Participants for subscription of new Shares, the Company's share capital will increase with SEK 8,250 (subject to potential recalculations in accordance with the terms and conditions set forth in Schedule A).

6. The warrants may be exercised for subscription of new Shares during the period from and including 1 June 2020 until and including 31 December 2020. Warrants that have not been exercised for subscription of new Shares by 31 December 2020 shall lapse.

7. Each warrant shall entitle the warrant holder to subscribe for one new Share in the Company at a subscription price per Share (the "**Exercise Price**") corresponding to 100% of the volume weighted average last closing price for the Company's share on Nasdaq First North during the period from and including 12 June 2017 until and including 15 June 2017. The Exercise Price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.5 shall be rounded upwards. The Exercise Price may never be below the quotient value of the shares.

8. The warrants are subject to customary recalculation conditions, set forth in Schedule A.

Allocation principles to be applied in relation to Participants

Warrants subscribed for by the Subsidiary shall be transferred to the Participants in accordance with instructions from the board of directors of the Company and the principles set forth below.

The transfers of warrants from the Subsidiary to the Participants are to be made without consideration (i.e. free of charge).

The Participants' right to receive warrants shall be differentiated based on position, responsibility and work performance in the Group. The Participants will be divided into three different categories and only persons in such categories will be offered the right to receive warrants. The board of directors of the Company shall have the right to decide on the persons belonging to each category and on the allocation of warrants to such persons.

Maximum allocation of warrants within each category of Participants:

Category	**Maximum allocation per Participant**
COO	250,000
CFO	250,000
Other	250,000

Allocated warrants may be exercised for subscription of new Shares in the Company during the period from and including 1 June 2020 until and including 31 December 2020. Subscription of new Shares may however not take place during so-called closed periods according to the EU Market Abuse Regulation, or otherwise in breach of relevant insider rules and regulations (including the Company's internal guidelines in this respect).

Warrant agreement

All warrants will be governed by warrant agreements to be entered into between each Participant and the Subsidiary in connection with the transfer of warrants from the Subsidiary.

The warrant agreement will include certain transfer restrictions and other terms and conditions customary for such agreements.

Reasons for the deviation from the shareholders' preferential rights

The reasons for the deviation from the shareholders' preferential rights is that the Company wishes to offer warrants to employees of the Group in order to strengthen the retention of employees and to motivate them to contribute to the creation of shareholder value.

Dilution, costs, etc.

Upon full subscription, transfer and exercise of all 750,000 issued warrants; a total of 750,000 new Shares will be issued in the Company (subject to potential recalculations in accordance with the terms and conditions set forth in Schedule A). This would lead to a dilution corresponding to 0.9% of the total share capital and number of votes in the Company (based on the share capital and number of shares in the Company registered as of the date of this proposal and calculated as the maximum amount of share capital and number of shares that may be issued, divided by the total share capital and the total number of shares in the Company after all warrants have been exercised).

The incentive programme is expected to have a marginal effect on the Company's earnings per share. A preliminary estimate of the market value of the warrants is SEK 2.95 per warrant for the call period, assuming an underlying market value and exercise price of SEK 7.15 per share. The Black Scholes valuation model has been used for valuing the warrants and assumes a risk free interest of -0.4 percent and a volatility of 58 percent.

Costs related to the issuance of warrants under the incentive programme will be accounted for in accordance with IFRS 2 and recognized as an expense in the income statement during the vesting period. The preliminary estimate of total cost to be recorded during the term of the programme is SEK 2,212,500. Ongoing administration costs and other costs of the programme are minimal.

Outstanding incentive programmes

As of the date of this proposal, the Subsidiary has 1,998,000 stock options outstanding under a separate stock-based incentive plan. Upon exercise of the stock options, the option holders become shareholders in the Company instead of the Subsidiary. In order to facilitate such exchange the Company has issued the shares of class C2 to be converted to shares of class A and delivered to holders upon exercise of stock options.

Preparation of the proposal

This proposal has been prepared by the board of directors in the Company.

Approval of transfer of warrants from the Subsidiary to Participants

A resolution to issue warrants in accordance with this proposal also includes an approval of the transfers of warrants from the Subsidiary to the Participants.

Majority requirements

This proposal to adopt the incentive programme and to issue warrants, as well as the approval of the transfers of warrants from the Subsidiary to the Participants, is governed by the provisions in Chapter 16 of the Swedish Companies Act (*Sw.* Aktiebolagslagen (2005:551)), and a valid resolution therefore requires that the proposal is supported by shareholders representing at least nine-tenths (9/10) of the votes cast as well as of all shares represented at the meeting.

Miscellaneous

The chairman of the board of directors, the managing director or a person appointed by the board of directors shall be authorised to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office.

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The board of directors