

The complete proposal regarding long term incentive program 2017 for Seamless Distribution Systems AB and issue of warrants

The Board of Seamless Distribution Systems AB ("SDS" or "the company") proposes that the Meeting resolves on the implementation of a long-term incentive program for employees of and consultants to SDS Group ("LTIP 2017") and the issuance of warrants, in accordance with paragraphs 6 (a) - 6 (f) below. The decisions under paragraphs 6 (a) - 6 (f) below are proposed to be contingent and each decision is proposed to be adopted in a context. LTIP 2017 is proposed to comprise a maximum of 5 employees within and consultants to SDS Group.

Proposal for a decision on the adoption of LTIP 2017 (paragraph 6 (a))

Background and purpose

The Board believes that it is in the company's and shareholders' interest that senior executives in the SDS Group be involved in the Company's development by offering warrants in an incentive program. The purpose of the proposal is to create conditions for retaining and recruiting competent personnel to the SDS Group, as well as increasing the motivation of senior executives by acquiring and promoting a positive value development of the Company's share during the period covered by LTIP 2017.

In view of the terms, size of the grant and other circumstances, the Board assesses that LTIP 2017, as follows, is reasonable and beneficial to the Company and its shareholders.

Allotment, transfer and general terms of the warrants

A total of no more than 350,000 warrants are proposed to be issued in LTIP 2017, which includes senior executives (employees as well as consultants) as follows. The Company's Board members shall not be covered by LTIP 2017. The warrants will be issued in five series with one-fifth of the total number of warrants in each series. The right to subscribe for all warrants shall apply to the Company's wholly owned subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), which in turn will transfer the warrants to senior executives in the SDS Group. The warrants shall be issued free of charge to Goldcup 15500 AB (under name change to SDS Fortuna AB).

The transfer of warrants to the participants shall be at a price corresponding to the market value of the warrant right (i.e. the warrant premium) calculated according to the so-called Monte Carlo method. The estimate of the warrants is performed by an independent appraiser. Transfers of warrants to LTIP 2017 participants may take place in accordance with the following breakdown.

Category	Total maximum number of warrants (of which one-fifth in each series)	Number of people in the category
CEO and other senior executives	350,000 (no single participant may receive more than 175,000)	five persons

In total, not more than 350,000 warrants shall be awarded under the LTIP 2017.

Exercise price

All five warrant series entitle the holder thereof to subscribe for one new share in the Company at an Exercise Price corresponding to 120 per cent of the higher of i) the average volume weighted Company share price as quoted on Nasdaq First North during the period 10 trading days calculated as from and including 27 November 2017; and ii) SEK 30.

(i) and ii) respectively, as applicable, the “**Comparison Price**”).

The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards.

Exercise periods

Application for Subscription of shares according to all five series of warrants may take place i) during a period of two (2) trading days calculated as from and including the day on which the Warrants were registered by the Swedish Companies Registration Office (“**Period 1**”); and ii) during the period from and including 1 February 2021 up to and including 1 February 2023 (“**Period 2**”).

The purpose of the split over two periods is to enable registration with the Swedish Companies Registration Office of warrants with the following "performance criteria" in the terms and conditions. During Period 1, when the warrants will still be held by the subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), the performance parameters are not applicable, while the subscription during the Period 2 only can take place provided that the relevant performance criteria are met.

The subscription price and the number of shares that each warrants entitle to subscription shall be recalculated in the event of split, aggregation, issues, etc. in accordance with the usual recalculation conditions. In accordance with customary terms, the warrants may be exercised earlier in the event of for example, compulsory redemption of shares, liquidation or merger whereby SDS will be transferred into another company.

Performance criteria

The five warrant series have the following performance criteria, which must be met in order for each corresponding warrant to be exercised for subscription during Period 2:

- Series 1: Subscription of shares may only take place if the volume weighted average price of the Company's shares on Nasdaq First North during a period of at least thirty (30) consecutive trading days during the incentive program period has exceeded the Comparison Price by 25%.
- Series 2: Subscription of shares may only take place if the volume weighted average price of the Company's shares on Nasdaq First North during a period of at least thirty (30) consecutive trading days during the incentive program period has exceeded the Comparison Price by 45%.
- Series 3: Subscription of shares may only take place if the volume weighted average price of the Company's shares on Nasdaq First North during a period of at least thirty (30) consecutive trading days during the incentive program period has exceeded the Comparison Price by 70%.
- Series 4: Subscription of shares may only take place if the volume weighted average price of the Company's shares on Nasdaq First North during a period of at least thirty (30) consecutive trading days during the incentive program period has exceeded the Comparison Price by 90%.
- Series 5: Subscription of shares may only take place if the volume weighted average price of the Company's shares on Nasdaq First North during a period of at least thirty (30) consecutive trading days during the incentive program period has exceeded the Comparison Price by 110%.

It is the responsibility of SDS to notify the holder when the respective performance criteria are met.

Except for the above performance criteria, all subscription warrants have identical terms.

Other conditions

Entitlement to possess and utilize the warrants requires that the holder is employed within or consultant (as appropriate) to SDS Group until the exercise of the warrants can be done. In connection with the transfer of the warrants to the participants, Goldcup 15500 AB (under name change to SDS Fortuna AB) reserve the right to repurchase the warrants if the participant's employment or assignment in SDS Group is terminated or if the participant, in turn, wants to transfer its warrants. However, repurchase rights only apply to warrants that yet cannot be exercised for subscription.

Dilution effects and costs etc.

The Board's proposal to issue warrants entails a maximum total dilution of approximately 4.8 percent of the share capital and votes in the Company, calculated after full exercise of the warrants.

The warrant premium on the transfer of the warrants will correspond to the market value, with no employee costs or social security charges incurred by the Company in connection with such transfer of warrants. All costs for LTIP 2017 is not expected to exceed one million SEK under LTIP 2017's maturity (not taking into account any cash benefits payable under the below described synthetic warrants which may result in a cost to the Company of a maximum of 2.5 million SEK).

The market value for the warrants, according to a preliminary valuation based on a market value of the underlying stock corresponding to its stock price October 17, 2017 and assuming an exercise price of 36 SEK per share, is reported below. The Monte Carlo method has been used for warrant valuation, assuming a risk free interest rate -0.07% and a volatility of 35.0%.

Series	Preliminary warrant price (SEK)
Series 1	0.856
Series 2	0.655
Series 3	0.444
Series 4	0.341
Series 5	0.251

Synthetic warrants

To encourage participation in LTIP 2017, the Board also intends to decide on the issue of no more than 350,000 synthetic warrants. The purpose of the synthetic warrants is to compensate participants in LTIP 2017 if the warrants' exercise price calculated based on 120% of 30 SEK instead of 120% of the volume weighted average price of the Company's shares on Nasdaq First North during the period 10 days from November 27, 2017. The synthetic warrants may incur a maximum of 2.5 million SEK (including personnel and social security costs) for the Company, corresponding to a maximum of SEK 7.14 per synthetic warrant. The synthetic warrants will be granted only if the volume weighted average price of the Company's shares on Nasdaq First North during the period of 10 trading days calculated from November 27, 2017 is less than 30 SEK. The synthetic warrants entitle to payment in proportion to the extent, and from same day, as the participant utilizes the warrants for subscription of shares in SDS. Thus, if the warrants are not exercised for subscription, then the synthetic warrants also are void.

Example: Assume that SDS volume weighted average price for the period 10 trading days from November 27, 2017 is 24 SEK, which represents an exercise price of 28.80 SEK. However, under the terms of the warrants, the exercise price may never fall below 36 SEK. The aim is for the synthetic warrants to

compensate participants for the difference of 7.20 SEK, although at the most up to 7.14 SEK per warrant.

Preparation of the proposal

The proposal has been prepared and unanimously approved by the Board and the Board shall implement the issue resolution.

Majority requirements

Decisions on the adoption of LTIP 2017 require that the proposal be assisted by shareholders representing at least nine tenths of both the votes cast and the shares represented at the EGM.

Proposal for a decision to issue warrants in series 1 (item 6 (b))

The Board proposes that the Company shall issue a maximum of 70,000 warrants for new shares, whereby the company's share capital can increase with no more than 7,000 SEK corresponding to about one percent of the total capital and total number of votes in SDS at full subscription.

The right to subscribe for warrants to subscribe for new shares applies only to the subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), with the right and obligation to dispose of the warrants as above. Each warrants entitles the holder to subscribe for one share. The warrants shall be issued free of charge to Goldcup 15500 AB (under name change to SDS Fortuna AB). Oversubscription cannot be done. Additional conditions for the warrants are according to the Appendix A.

Proposal for a decision to issue warrants in series 2 (item 6 (c))

The Board proposes that the Company shall issue a maximum of 70,000 warrants for new shares, whereby the company's share capital can increase with no more than 7,000 SEK corresponding to about one percent of the total capital and total number of votes in SDS at full subscription.

The right to subscribe for warrants to subscribe for new shares applies only to the subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), with the right and obligation to dispose of the warrants as above. Each warrants entitles the holder to subscribe for one share. The warrants shall be issued free of charge to Goldcup 15500 AB (under name change to SDS Fortuna AB). Oversubscription cannot be done. Additional conditions for the warrants are according to the Appendix B.

Proposal for a decision to issue warrants in series 3 (item 6 (d))

The Board proposes that the Company shall issue a maximum of 70,000 warrants for new shares, whereby the company's share capital can increase with no more than 7,000 SEK corresponding to about one percent of the total capital and total number of votes in SDS at full subscription.

The right to subscribe for warrants to subscribe for new shares applies only to the subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), with the right and obligation to dispose of the warrants as above. Each warrants entitles the holder to subscribe for one share. The warrants shall be issued free of charge to Goldcup 15500 AB (under name change to SDS Fortuna AB). Oversubscription cannot be done. Additional conditions for the warrants are according to the Appendix C.

Proposal for a decision to issue warrants in series 4 (item 6 (e))

The Board proposes that the Company shall issue a maximum of 70,000 warrants for new shares, whereby the company's share capital can increase with no more than 7,000 SEK corresponding to about

one percent of the total capital and total number of votes in SDS at full subscription.

The right to subscribe for warrants to subscribe for new shares applies only to the subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), with the right and obligation to dispose of the warrants as above. Each warrants entitles the holder to subscribe for one share. The warrants shall be issued free of charge to Goldcup 15500 AB (under name change to SDS Fortuna AB). Oversubscription cannot be done. Additional conditions for the warrants are according to the Appendix D.

Proposal for a decision to issue warrants in series 5 (item 6 (f))

The Board proposes that the Company shall issue a maximum of 70,000 warrants for new shares, whereby the company's share capital can increase with no more than 7,000 SEK corresponding to about one percent of the total capital and total number of votes in SDS at full subscription.

The right to subscribe for warrants to subscribe for new shares applies only to the subsidiary Goldcup 15500 AB (under name change to SDS Fortuna AB), with the right and obligation to dispose of the warrants as above. Each warrants entitles the holder to subscribe for one share. The warrants shall be issued free of charge to Goldcup 15500 AB (under name change to SDS Fortuna AB). Oversubscription cannot be done. Additional conditions for the warrants are according to the Appendix E.

LTIP 2017 - Issue of warrants under Series 1

The Board proposes that the Extra General Meeting resolves to issue a maximum of 70,000 warrants.

1. The right to subscribe for warrants shall, with the exception of shareholders' preferential rights, will belong to Goldcup 15500 AB (under name change to SDS Fortuna AB), a wholly owned subsidiary of Seamless Distribution Systems AB.

2. Each warrant entitles the holder to subscribe for a new share in the Company at a subscription price corresponding to 120% of the higher of i) the volume-weighted average price for its shares on NASDAQ First North during the period 10 trading days starting from November 27, 2017; and ii) 30 SEK.

(i) and ii), as applicable, being the "**Comparison Price**").

The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards. Subscription of shares according to all five series of warrants can take place i) during the period of two (2) trade days from the date of subscription warrants registered by the Swedish Companies Registration Office ("**Period 1**"); and ii) during the period from February 1, 2021 to February 1, 2023 ("**Period 2**").

During Period 2, application for subscription of shares may take place provided that the average volume weighted Company share price as quoted on Nasdaq First North during a period of at least thirty (30) coherent trading days during the term of the Warrants has exceeded the Comparison Price with 25%.

Subscription price and number of shares as each warrants entitle the subscription to be converted in the event of split, aggregation, emissions, etc. in accordance with customary translation terms.

In accordance with customary terms, the warrants may be exercised earlier in the event including compulsory redemption of shares, liquidation or merger whereby Seamless Distribution Systems AB goes into another company. Upon full exercise of the warrants the share capital is to increase by SEK 7,000.

3. Subscription of warrants shall be made no later than 22 December 2017. However, the Board shall have the right to extend the subscription period.

4. The warrants shall be issued free of charge.

5. In addition, the warrants shall apply to the terms set forth in Appendix A.1.

Furthermore, it is proposed that the CEO be empowered to make possible minor adjustments to the decision required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Oversubscription cannot be done.

The reason for the deviation from shareholders' preferential rights is to implement warrant programs for senior executives and key employees in the SDS Group.

LTIP 2017 - Issue of warrants under Series 2

The Board proposes that the Extra General Meeting resolves to issue a maximum of 70,000 warrants.

1. The right to subscribe for warrants shall, with the exception of shareholders' preferential rights, will belong to Goldcup 15500 AB (under name change to SDS Fortuna AB), a wholly owned subsidiary of Seamless Distribution Systems AB.

2. Each warrant entitles the holder to subscribe for a new share in the Company at a subscription price corresponding to 120% of the higher of i) the volume-weighted average price for its shares on NASDAQ First North during the period 10 trading days starting from November 27, 2017; and ii) 30 SEK.

(i) and ii), as applicable, being the "**Comparison Price**").

The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards. Subscription of shares according to all five series of warrants can take place i) during the period of two (2) trade days from the date of subscription warrants registered by the Swedish Companies Registration Office ("**Period 1**"); and ii) during the period from February 1, 2021 to February 1, 2023 ("**Period 2**").

During Period 2, application for subscription of shares may take place provided that the average volume weighted Company share price as quoted on Nasdaq First North during a period of at least thirty (30) coherent trading days during the term of the Warrants has exceeded the Comparison Price with 45%.

Subscription price and number of shares as each warrants entitle the subscription to be converted in the event of split, aggregation, emissions, etc. in accordance with customary translation terms.

In accordance with customary terms, the warrants may be exercised earlier in the event including compulsory redemption of shares, liquidation or merger whereby Seamless Distribution Systems AB goes into another company. Upon full exercise of the warrants the share capital is to increase by SEK 7,000.

3. Subscription of warrants shall be made no later than 22 December 2017. However, the Board shall have the right to extend the subscription period.

4. The warrants shall be issued free of charge.

5. In addition, the warrants shall apply to the terms set forth in Appendix B.1.

Furthermore, it is proposed that the CEO be empowered to make possible minor adjustments to the decision required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Oversubscription cannot be done.

The reason for the deviation from shareholders' preferential rights is to implement warrant programs for senior executives and key employees in the SDS Group.

LTIP 2017 - Issue of warrants under Series 3

The Board proposes that the Extra General Meeting resolves to issue a maximum of 70,000 warrants.

1. The right to subscribe for warrants shall, with the exception of shareholders' preferential rights, will belong to Goldcup 15500 AB (under name change to SDS Fortuna AB), a wholly owned subsidiary of Seamless Distribution Systems AB.

2. Each warrant entitles the holder to subscribe for a new share in the Company at a subscription price corresponding to 120% of the higher of i) the volume-weighted average price for its shares on NASDAQ First North during the period 10 trading days starting from November 27, 2017; and ii) 30 SEK.

(i) and ii), as applicable, being the "**Comparison Price**").

The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards. Subscription of shares according to all five series of warrants can take place i) during the period of two (2) trade days from the date of subscription warrants registered by the Swedish Companies Registration Office ("**Period 1**"); and ii) during the period from February 1, 2021 to February 1, 2023 ("**Period 2**").

During Period 2, application for subscription of shares may take place provided that the average volume weighted Company share price as quoted on Nasdaq First North during a period of at least thirty (30) coherent trading days during the term of the Warrants has exceeded the Comparison Price with 70%.

Subscription price and number of shares as each warrants entitle the subscription to be converted in the event of split, aggregation, emissions, etc. in accordance with customary translation terms.

In accordance with customary terms, the warrants may be exercised earlier in the event including compulsory redemption of shares, liquidation or merger whereby Seamless Distribution Systems AB goes into another company. Upon full exercise of the warrants the share capital is to increase by SEK 7,000.

3. Subscription of warrants shall be made no later than 22 December 2017. However, the Board shall have the right to extend the subscription period.

4. The warrants shall be issued free of charge.

5. In addition, the warrants shall apply to the terms set forth in Appendix C.1.

Furthermore, it is proposed that the CEO be empowered to make possible minor adjustments to the decision required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Oversubscription cannot be done.

The reason for the deviation from shareholders' preferential rights is to implement warrant programs for senior executives and key employees in the SDS Group.

LTIP 2017 - Issue of warrants under Series 4

The Board proposes that the Extra General Meeting resolves to issue a maximum of 70,000 warrants.

1. The right to subscribe for warrants shall, with the exception of shareholders' preferential rights, will belong to Goldcup 15500 AB (under name change to SDS Fortuna AB), a wholly owned subsidiary of Seamless Distribution Systems AB.

2. Each warrant entitles the holder to subscribe for a new share in the Company at a subscription price corresponding to 120% of the higher of i) the volume-weighted average price for its shares on NASDAQ First North during the period 10 trading days starting from November 27, 2017; and ii) 30 SEK.

(i) and ii), as applicable, being the "**Comparison Price**").

The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards. Subscription of shares according to all five series of warrants can take place i) during the period of two (2) trade days from the date of subscription warrants registered by the Swedish Companies Registration Office ("**Period 1**"); and ii) during the period from February 1, 2021 to February 1, 2023 ("**Period 2**").

During Period 2, application for subscription of shares may take place provided that the average volume weighted Company share price as quoted on Nasdaq First North during a period of at least thirty (30) coherent trading days during the term of the Warrants has exceeded the Comparison Price with 90%.

Subscription price and number of shares as each warrants entitle the subscription to be converted in the event of split, aggregation, emissions, etc. in accordance with customary translation terms.

In accordance with customary terms, the warrants may be exercised earlier in the event including compulsory redemption of shares, liquidation or merger whereby Seamless Distribution Systems AB goes into another company. Upon full exercise of the warrants the share capital is to increase by SEK 7,000.

3. Subscription of warrants shall be made no later than 22 December 2017. However, the Board shall have the right to extend the subscription period.

4. The warrants shall be issued free of charge.

5. In addition, the warrants shall apply to the terms set forth in Appendix D.1.

Furthermore, it is proposed that the CEO be empowered to make possible minor adjustments to the decision required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Oversubscription cannot be done.

The reason for the deviation from shareholders' preferential rights is to implement warrant programs for senior executives and key employees in the SDS Group.

LTIP 2017 - Issue of warrants under Series 5

The Board proposes that the Extra General Meeting resolves to issue a maximum of 70,000 warrants.

1. The right to subscribe for warrants shall, with the exception of shareholders' preferential rights, will belong to Goldcup 15500 AB (under name change to SDS Fortuna AB), a wholly owned subsidiary of Seamless Distribution Systems AB.

2. Each warrant entitles the holder to subscribe for a new share in the Company at a subscription price corresponding to 120% of the higher of i) the volume-weighted average price for its shares on NASDAQ First North during the period 10 trading days starting from November 27, 2017; and ii) 30 SEK.

(i) and ii), as applicable, being the "**Comparison Price**").

The exercise price thus calculated shall be rounded off to the nearest whole SEK 0.10, whereupon SEK 0.05 shall be rounded downwards. Subscription of shares according to all five series of warrants can take place i) during the period of two (2) trade days from the date of subscription warrants registered by the Swedish Companies Registration Office ("**Period 1**"); and ii) during the period from February 1, 2021 to February 1, 2023 ("**Period 2**").

During Period 2, application for subscription of shares may take place provided that the average volume weighted Company share price as quoted on Nasdaq First North during a period of at least thirty (30) coherent trading days during the term of the Warrants has exceeded the Comparison Price with 110%.

Subscription price and number of shares as each warrants entitle the subscription to be converted in the event of split, aggregation, emissions, etc. in accordance with customary translation terms.

In accordance with customary terms, the warrants may be exercised earlier in the event including compulsory redemption of shares, liquidation or merger whereby Seamless Distribution Systems AB goes into another company. Upon full exercise of the warrants the share capital is to increase by SEK 7,000.

3. Subscription of warrants shall be made no later than 22 December 2017. However, the Board shall have the right to extend the subscription period.

4. The warrants shall be issued free of charge.

5. In addition, the warrants shall apply to the terms set forth in Appendix E.1.

Furthermore, it is proposed that the CEO be empowered to make possible minor adjustments to the decision required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Oversubscription cannot be done.

The reason for the deviation from shareholders' preferential rights is to implement warrant programs for senior executives and key employees in the SDS Group.