N.B. The English text is an unofficial translation. In the event of any discrepancies between the Swedish and the English versions, the original Swedish version shall prevail.

Appendix 1

Calculation methodology for the Percentage

The following sets out the methodology for calculating the Percentage.

The nominal loan amount consists of two parts: i) the present value of future coupon payments and repayment of the principal, and ii) the inherent option value created by the lender's right to convert its loan to shares. The option value arises since the convertible debenture is associated with an interest rate below a market interest rate.

The present value of future coupon payments and repayment of the principal is calculated as:

1) $$Present\ value\ of\ LA = \frac{LA}{(1+y)^T} + \frac{\sum(LA \times c)}{(1+y)^t}$$ where:

LA = Nominal loan amount

y = Market based interest rate on a hypothetical bond issued by Ratos with the same maturity and priority as the convertible debenture

T = Time (expressed as fraction of years, 30/360) to the loan due date according to §3 in the Terms and Conditions for Convertible Debentures issued by Ratos AB (publ) (Appendix 2A)

t = Time (expressed as fraction of years, 30/360) to interest due date according to §3 in Appendix 2A

c = Coupon interest rate for the relevant interest period. The coupon interest rate amounts to the relevant interest period's STIBOR 6M or STIBOR 3M plus an interest margin of 1.90% according to §3 in Appendix 2A

The option value shall be calculated according to the Black-Scholes ("BS") model:

2) $$Option\ value = BS(S, X, T, \sigma, rf, D)$$ where:

S = Volume weighted average share price according to Nasdaq Stockholm's official price list for the shares of Class B during a period of four (4) trading days immediately preceding the start of the subscription period for the convertible debentures

X = Conversion price for shares of Class B

T = Option term

σ = Expected volatility in Ratos Class B shares during the option term

rf = Risk free rate for a period equal to the option term

D = Expected dividends during the option term

The conversion price per share of Class B applied in the Black-Scholes model above shall be set to ensure that the following condition is satisfied:

3) $$LA = Present\ value\ of\ LA + BS(S, X, T, \sigma, rf, D)$$

The conversion price is therefore dependent upon the size of the other parameters in order for the above condition to be satisfied.

The Percentage shall then be determined as follows:

4) $$Percentage = \frac{X}{S}$$