

To: the shareholders of Zound Industries International AB

Questions and answers regarding a potential sale of Zound Industries International AB

Since certain questions have been received from shareholders with respect to the potential sale (the "Sale") of the shares in Zound Industries International AB (the "Company") initiated by the principal owners Zenith Venture Capital, Varenne, Telia Company and TIME Investors SAS (together, the "Principal Owners"), we want to share some frequently asked questions prior to the Sale of the Company and our answers to such questions:

1. What will the price be if I choose to sell my shares?

The price per share in a Sale will be the same for all shareholders in the Company, including the Principal Owners. Since the Sale is structured as an auction process, the final share purchase agreement will be entered into directly following the Principal Owners' receipt of a final and binding offer deemed to be attractive, and an agreement of the commercial and legal terms with such bidder is reached. Therefore, it will not be possible to communicate the final price before the share purchase agreement is entered into. Acceptances from shareholders is made by signing the proxy, which has been distributed to the shareholders to sell at the price that is determined for all shareholders and otherwise on the terms and conditions applicable to the Sale. The Principal Owners is of the opinion that this process provides the best conditions to maximize the value of the Company's shares. The main reason being an estimated reduced willingness of potential buyers to analyze and spend time and money on a due diligence should the Principal Owners not be able to represent at least 90 percent of the shares in the Company.

2. Will all shareholders, including the Principal Owners, sell their shares in the Sale?

Yes. But in case the ultimate buyer does not acquire 100 percent of the shares, all shareholders, i.e. both the Principal Owners and other shareholders participating in the Sale, will sell the same portion of shares.

3. Will the costs for the Sale be divided equally between all selling shareholders?

Yes, all shared costs for the Sale will be charged to the shareholders on a pro rata basis, either by charging the shareholders directly, or by charge the Company through a deduction of the purchase price in the Sale.

4. What will happen if I do not sign the proxy distributed to all shareholders?

Shareholders who choose not to sign the proxy will not participate in the Sale. Moreover, should less than 90 percent of the shares be subject to a proxy, the Principal Owners are of the opinion that the conditions to succeed with the Sale would be materially deteriorated as it would reduce the interest from potential buyers to analyze and spend time and money on a due diligence. Through the Sale all shareholders are provided with the opportunity to sell their shares, which otherwise would not be possible for the majority of the shareholders, since there is no organized trading in the Company's shares. A condition for the Sale is that the buyer receives more than 90 percent of the shares in the Company in the Sale. A buyer will in such case initiate a buy-out procedure (as stipulated in the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) for the shares owned by shareholders who have chosen not participate in the Sale. The terms in a buy-out procedure, including the question of price, is determined in accordance with the Swedish Companies Act. Therefore, it cannot be guaranteed that the price in a buy-out procedure will amount to same level as in the Sale.

Your signature to the proxy is therefore a necessary precondition for the completion of a successful Sale to maximize the value of the shares.

5. Is the proxy valid for a Sale to one of the Principal Owners or in an IPO?

No, the proxy only applies in a private sale to a third party.

6. For how long is the proxy valid?

If a Sale is completed, the proxy is valid in accordance with the terms of the share purchase agreement and otherwise until 31 December 2019.

7. May I withdraw my proxy?

Yes, the issuer of the proxy may formally withdraw the proxy. However, a withdrawal of the proxy may jeopardize the completion of the Sale, as a condition for the Sale is that more than 90 percent of the shareholders participate in the Sale.

8. May I sell or otherwise dispose of my shares during the period under which the Sale process is ongoing?

By signing the proxy and the subscription form, shareholders accept that their shares are locked until the earlier of the completion of a Sale and 31 December 2019.

Should you have any further questions in addition to the ones above, please contact Patrik.linzenbold@zoundindustries.com.

Yours sincerely,

The board of directors of Zound Industries International AB

Zenith Venture Capital

Varenne

Telia Company

TIME Investors SAS