

COMMUNICATION AND INFORMATION POLICY

Bawat Water Technologies AB

Adopted by the Board of Directors on [Date]

Introduction

Bawat Water Technologies AB ("Bawat" or the "Company") is a public company whose shares are traded on Nasdaq First North Premier Growth Market ("Nasdaq First North"). The Company shall comply with the rules set out in "Nasdaq First North Growth Market – Rulebook" (Nasdaq First North's "rules"), as well as other applicable laws and regulations that apply to public limited liability companies in Sweden. This communication and information policy aims to ensure a good quality of both internal and external information, as well as compliance with laws, regulations, and agreements. Bawat's communication and information policy is designed to ensure that the Company has a good quality in these respects. The policy applies to all employees of the Company and can be summarized as follows:

- The Company's communication must always be accurate and clear
- It shall be easy to find and obtain information for shareholders and other external stakeholders
- Bawat aims to provide qualitative information that is never ambiguous or misleading
- Bawat never knowingly communicates incorrect information
- Difficulties and problems should be properly highlighted together with the measures taken to resolve them
- The person responsible for the information shall be available on request
- Bawat communicates in English

This communication and information policy covers all external communication, including website, press releases, financial reports, as well as orally delivered information provided at meetings and in conversations with analysts, investors, journalists, and others.

Communication tools

Bawat's communication tools include but are not limited to:

- Press releases
- Quarterly reports
- Annual reports
- Bawat's webpage www.bawat.com
- Printed information materials
- Electronic information materials
- Analyst meetings and discussions

Information responsible persons

Bawat's CEO is responsible for when, how and what information may be disseminated by whom in the organization.

Communication responsibilities may be shared between different people in the organization. The main principle is that the person who is best placed to answer a question is also given the responsibility to do so.

In general, Bawat's CEO is the spokesperson on company-wide issues, such as financial position, business strategies, market and competition assessments.

In the CEO's absence, the Company's CFO is responsible for external information. Other employees should not speak except in general terms and only about facts and conditions that are already known externally.

All external information of a material nature shall be decided by the CEO, if necessary, after consultation with the Chairman of the Board of Directors. The Chairman may in special circumstances speak on issues such as changes in ownership, changes in executive management and crisis situations.

Information obligation

A prerequisite for a correct market assessment of the Company's operations and value is that all stakeholders are given the opportunity to access the same information from the Company at the same time. The Company is obliged to comply with the EU Market Abuse Regulation (2014/596/EU) ("MAR").

MAR and Nasdaq First North's rules provide that the Company shall publish inside information as soon as possible in accordance with Article 17 of MAR.

Insider information means information that is of a specific nature that has not been disclosed, that directly or indirectly relates to Bawat or its financial instruments and which, if made public, would likely have a material impact on the price of those financial instruments or on the price of related financial derivative instruments.

The assessment of what constitute inside information must be based on facts and relevant circumstances and be made on a case-by-case basis. This assessment is always the responsibility of the Company. The Company may contact the Certified Adviser, its legal advisor or others for advice. Inside information must be disclosed as soon as possible. Publication should never take more time than is required to compile and distribute the information. This requires good planning, for instance that press releases of reasonably expected events are drafted in advance.

However, in special cases, where information is provided as a normal part of the performance of the service, activity or obligation and the person receiving the information is obliged not to share it, information may be provided before publication to persons who are actively involved in the decision-making process or, as a result of their professional role, take part in the process of producing the information. This may, for example, refer to information to major shareholders or prospective shareholders during market sounding for a planned new share issue, to advisors that the Company engages, for example for prospectus work prior to a planned issue or other larger transaction, to proposed bidders or target companies in connection with tender negotiations, to so-called rating agencies before credit rating agencies or to creditors before important credit decisions. In such instances, the persons receiving such information from the Company shall be logged into an event-based insider logbook.

If the event occurs outside the Company's control, the Company shall inform the market about the incident as soon as possible. To ensure the fairest distribution possible of the information when material price-impacting information is disclosed, the Company shall contact the Certified Adviser just after. Information that, if made public, would likely have a material impact on the price of the Company's financial instruments may not be shared by any other means than through NASDAQ First North's regular disclosure channels.

For example, there is a duty to disclose information in the following situations:

- Major acquisitions or divestments of companies or operations
- Major purchase orders or investment decisions
- Share or debt issue decisions
- Resolution on incentive programs
- Unexpected changes in earnings
- Major credit or customer losses
- Transactions with related parties
- Cooperation agreements, joint ventures, or other agreements of major importance
- Significant government or court decisions
- Forecast adjustments
- Changed business direction
- Rumors in the market and information leakage

Nasdaq First North's rules also mean that it is mandatory to publish certain recurring information, such as:

- Year-end report
- Interim reports
- Notices and resolutions from the Annual General Meeting
- Changes in the Board of Directors and changes in the Company's executive management

What is otherwise considered as inside information may be determined by Bawat's CEO on a case-by-case basis. If the Company intends to disclose information that is expected to be of particular importance, the Company shall inform Nasdaq First North and the Certified Adviser as early as possible before the information is made public.

Delayed disclosure

In some cases, disclosure of inside information may be postponed. In these cases, the following conditions shall be met:

- a) the legitimate interests of the Company are likely to be prejudiced if the information is disclosed immediately (e.g. information about a planned acquisition)
- b) the delayed disclosure is unlikely to mislead the public; and
- c) it can be ensured that the information remains confidential

If the Company decides to delay the disclosure of information, the Company shall open an event-based insider logbook and furthermore, inform its Certified Adviser thereof. Then, immediately after the information is made public, Finansinspektionen shall be informed that the disclosure of the information was delayed. Finansinspektionen may then request a written explanation of how the conditions for delayed disclosure has been met. The Company must therefore be able to document such conditions.

Advance information to Certified Adviser and Nasdaq First North

Certain situations require the Company to inform Nasdaq First North and the Certified Adviser prior to an official statement. For example, but not limited to:

- Request from the Company's auditor regarding situations that may have an impact on the valuation of the Company's share
- Preparations for a public offer to acquire shares in another listed company

- Information that another company is planning a public offer to acquire shares in the Company
- If the Company intends to publish information that may be expected to be of extraordinary importance for the Company and its financial instruments

Handling inside information

Employees of the Company shall comply with the internal confidentiality requirements established to prevent the dissemination of undisclosed inside information.

For external consultants and partners who have access to undisclosed inside information, confidentiality agreements shall be drawn up.

Logbook (insider list)

The company shall continuously keep an internal list, so-called logbook, of persons who are employed or have assignments for the Company and who have access to inside information relating to the company. The logbook shall be drawn up in accordance with the requirements set out in the Market Abuse Regulation. For the person(s) who have access to inside information, the following information shall be provided:

- First name and surname
- Social security number
- Phone number of work and company name and business address
- Private phone number and home address
- The person's function and reasons why the person has access to the information
- The date and time at which the person gained access to the information; and when the list was last updated

The Company shall keep two types of insider logbooks:

- Event-based logbooks are opened for specific events, such as a major agreement with a customer or a share capital increase
- The permanent insider logbook shall be kept to record people who may be assumed to be in possession of insider information on a regular basis.

Persons listed in an insider logbook must at the same time be informed in writing by the Company of what this means. In addition, the Company must take all reasonable steps to ensure that all persons on the insider list confirm in writing that they are aware of the legal obligations and the penalties applicable.

Insider logbooks shall be kept in electronic format. The event viewer shall be updated as soon as conditions change. The logbook shall be kept for at least five years from the date it is drawn up or, if updated, five years from the date on which it was last updated.

Persons Discharging Managerial Responsibilities (PDMR) and persons related to them

The Company is obliged to keep a list of all persons in senior positions within the Company and to those related to them. "PDMR" persons are the members of the Company's senior and executive management team and members of the Board of Directors. "Related" persons are:

- a) Spouse, registered partner, or cohabiting partner
- b) Children of which the person in a managerial position has custody

- c) A relative who has shared the same household as the person in a management position for at least one year
- d) Legal persons, foundations, or partnerships whose management duties are carried out by the relevant person in a managerial position or any of its natural affiliates, or which are directly or indirectly controlled by such a person, or established for the benefit of such person or economic interests which correspond principally to the interests of such a person

Persons in a managerial position and related parties are obliged under Article 19 of MAR to report their transactions in the Company's shares, debt instruments, derivatives or other financial instruments linked to these financial instruments to the Swedish Financial Supervisory Authority and the Company within three business days of the transaction. However, notification is only required if the transactions exceed EUR 5,000 in a calendar year in total.

The Company shall inform the persons who are persons in a managerial position in writing of their obligations under MAR.

Unexpected material changes in earnings

If the Company observes that the Company's earnings development during a quarter significantly deviates, up or down, from the picture of the Company's situation created by previously published information, the information about this deviation may constitute inside information.

When assessing whether a change in the Company's earnings development is sufficiently material to constitute inside information, the Company shall evaluate the deviation based on the most recent known financial developments, forecasts, or forward-looking statements.

Consideration should also be given to the Company's specific operations together with publicly known changes in financial conditions during the remaining part of the financial period. The conditions may include, for example, seasonal variations and general market developments.

Consideration should also be given to other information provided by the Company regarding external factors, such as sensitivity analyses regarding e.g. interest, currency and commodity prices. Summaries of analysts' expectations of the Company are not decisive for how the assessment should be made. In cases where the "unexpected material change in earnings" can be assumed to be of extraordinary importance to the Company and its financial instruments, the Certified Adviser and Nasdaq First North shall be notified in advance.

Profit warning or a reversed profit warning must be disclosed to the market immediately. Delayed disclosure is not possible.

Routines

Distribution

Bawat's CEO is responsible for the publication of inside information in the form of press releases, interim reports and annual reports without delay in accordance with MAR and Nasdaq First North's rules, so that the media and the public can simultaneously access the information without delay.

Press releases

- Significant business deals or other inside information are published as press releases by Bawat. Information about the customer's identity and scope is provided to the greatest extent possible

- The Company is responsible for compiling and distributing press releases, interim reports, year-end report, and annual report
- Interim reports and year-end report are also published as press releases
- Press releases are only commented on by the CEO or, if necessary, by the Chairman of the Board

All Bawat's press releases are published in English.

Contact persons

All communication with the financial market and media on behalf of the Company is through the Bawat's CEO, CFO or Chairman of the Board of Directors.

Other employees and executives within the Company who are contacted by investors, shareholders, analysts or the media should always refer directly to the CEO, CFO or Chairman of the board without further comment.

Subsidiaries or Joint Ventures within the Bawat group shall not communicate with the media without the CEO's approval.

Company's website

Bawat's CFO is responsible for the Company's website. The website should be updated with the necessary information according to Nasdaq First North's requirements. On the website, press releases, financial statements, information from the general meeting, articles of association, insider dealings and ownership and contact information should be made public. The CFO is responsible for ensuring that the website contains up-to-date and accurate information. Bawat's website is www.bawat.com

Company staff

Staff of the Company who, because of their position, have received inside information shall not, before the information has become publicly known or ceased to be relevant to the price setting, buy or sell, nor revoke or amend an order regarding, such financial instruments on the securities market. The information may also not be used to prompt anyone to buy or sell, or withdraw or change orders, of this kind by advice or otherwise such.

It is also prohibited to disclose inside information (except in cases where disclosure takes place as a normal part of the performance of service, activity, or duties). The Company applies a so-called "Silent Period" for 30 days prior to the publication of interim reports, year-end report, or annual report.

Trading in the Company's securities

When trading in the Company's securities, all employees shall comply with the so-called "Thirty-Day Rule". This means that the persons concerned may not trade in shares or other financial instruments in the Company 30 days prior to the publication of ordinary interim reports.

However, in exceptional circumstances, such as serious financial difficulties requiring the immediate sale of shares or situations where trading takes place under, or are related to, stock option or savings programs, the Company may allow trading to take place notwithstanding the Thirty-Day Rule. The circumstances shall be very urgent, unforeseen, and compelling. In addition, the reason for the circumstances shall be external to the employee and the employee shall have no control over it. Permission must be obtained from the Company before trading may be carried out, which means that it is therefore not possible to obtain an ex post permit. The request for permission must be made in writing to the Company's CEO or CFO and be

motivated by why the employee should receive the permit and a description of how the planned trade will be conducted. Permission is granted only in exceptional cases.

Even during other times, i.e. time outside the Thirty-Day Rule, an employee shall always obtain approval for the purchase or sale of shares or other financial instruments in the Company by the CEO or CFO. The authorisation must always be obtained before the trade is carried out, which means that it is therefore not possible to obtain an ex post authorisation. The purpose of this rule is to avoid trading before major price-impacting information may be communicated to the market, such as a larger order.

Policy regarding public acquisition offers

Ongoing within the Company preparations to make to a wider circle a public offer for the acquisition of shares or related financial instruments in another listed company, the Company shall immediately inform the Certified Adviser when there is reasonable reason that the preparations will lead to a public offer. Logbook should then be taken.

If the Company has been informed that others are planning to make the Company's owners a public offer to acquire shares or related financial instruments in the Company, and has not been made public, the Company shall immediately inform Certified Adviser there is reasonable reason to believe that the plan will be realized.

In the case of major acquisitions, the provision of information is subject to a comprehensive regulatory framework.

Conduct in the event of unforeseen events, information leaks and rumors

If the Company has become aware that inside information may have been leaked to third parties and if disclosure is not possible, the Company's Certified Adviser shall be contacted immediately.

Crisis communication

During a crisis situation or in the event of negative publicity, it is always the CEO in consultation with the Chairman of the Board who decides the media strategy. Nasdaq First North and the Company's Certified Advisor should be contacted for advice.

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