

Disclaimer: Please note that certain points and processes mentioned in this document are still under development and are subject to change. This document is a work in progress and should not be considered final at this stage. The 2025 Option Agreement is undergoing a routine review. The document will be provided as soon as possible.

Grant to Option Model and Option Agreement template

EIT Health is committing to support the development of the selected **micro and small enterprises** by granting funds to support innovation activities of a project. In return, EIT Health shall participate in the enterprise by way of receiving options to assume shares in the enterprise upon the occurrence of pre-defined Exit Events (as defined below). In such Exit Events, EIT Health has the right to subscribe to shares in the enterprise and subsequently be treated as a shareholder of the company. The total value of EIT Health's investment shall be the total amount of the grant paid to the enterprise.

Main principles:

- Upon selection, EIT Health is committing to support the development of the enterprise by granting funds to support innovation activities in a said project:
 - Min €400,000 grant within a maximum of €0.8 million total grant going to a project.
 - In return for the grant EIT Health shall receive options in an enterprise which shall entitle EIT Health to subscribe to a certain number of shares in an enterprise in case of an Exit Event (defined below).
- By using options, EIT Health intends to be treated comparable to a shareholder and participate in future financial successes of the enterprise without assuming immediate equity.
 - Importantly, if the option is not yet exercised or surrendered, EIT Health holds no equity in the enterprise and have no shareholder rights.
- EIT Health shall be entitled to appoint one (1) member of the advisory board, as long as EIT Health holds options or shares that - on a fully diluted basis – correspond to at least 8.00 % of the share capital.
- EIT Health's options will dilute in financing rounds in the same ratio as equity-shares.
- In Exit Events, EIT Health has the right but not the obligation to purchase shares upon surrendering of the options and such shares shall be granted by the enterprise.
- Exit events are defined as follows:
 - Sale of more than 50% of the shares in the enterprise.
 - Sale of more than 50% of assets as well as licensing of substantial IP rights of enterprise.
 - Initial Public Offering (IPO).
 - Liquidation.
- Alternatively, the enterprise is entitled to directly settle EIT Health's claim to shares by paying to EIT Health a Compensation Payment equal to the amount EIT Health would have received in such Exit Event as pro rata shareholder.
- In the event of a merger, the option of EIT Health shall be converted into new options on the level of the new entity. The conversion shall occur on the same economic conditions as the shareholders.
- The number of shares EIT Health is entitled to purchase by surrendering the options corresponds to the price per share.

The revenue received by EIT Health from these projects will be invested in future innovation opportunities for the network.