

## **NOTIFICATION OF THE ANNUAL GENERAL MEETING BYGGMAX GROUP AB (PUBL)**

Shareholders of Byggmax Group AB (publ), Corporate Registration Number 556656-3531, (the “**Company**”) are hereby notified of the Annual General Meeting (AGM) to be held on Friday, May 5, 2023, at 10 a.m. at Lindhagen Konferens, Lindhagensgatan 126, 112 51 Stockholm, Sweden.

After the close of the Annual General Meeting, the Company will give shareholders an opportunity to accompany the Company on a visit to some of the Company's stores. The visits are planned to take about three hours. Shareholders who wish to participate in these visits must notify the Company of their intention in connection with their notification of participation in the Annual General Meeting as described below.

### **Notification, etc.**

Shareholders who wish to participate at the Annual General Meeting must:

- both be listed in the register of shareholders maintained by Euroclear Sweden AB on Wednesday, April 26, 2023, and
- notify the Company of their intention to attend the AGM, no later than on Friday, April 28, 2023, to the address Byggmax Group AB (publ), c/o Advokatfirman Lindahl KB, Studentgatan 6, 211 38 Malmö, Sweden (Labeled “Annual General Meeting”), or by e-mail to byggmax@lindahl.se.

When giving notice of participation, shareholders must state: their name, personal ID/corporate registration number (or equivalent), address, telephone number, shareholding in the Company, the names of any advisers (maximum two) and, when applicable, the name of a proxy or legal representative.

### **Trustee registered shares**

To be able to participate at the AGM, shareholders who have registered their shares in the name of a trustee must request registration of the shares in their own names in the register maintained by Euroclear Sweden AB. Registration of shareholders should be completed not later than April 28, 2023. The shareholder should notify the trustee well in advance of this date. Such registration may be temporary.

### **Proxies**

Shareholders who intend to be represented by proxy must issue a dated power of attorney for the proxy. If the power of attorney is issued by a legal entity, an attested copy of the certificate of registration or its equivalent for the legal entity must be enclosed with the notice of participation. The period of validity of the power of attorney is permitted to extend to five years from the date of issue. An original of the power of attorney and, when applicable, the certificate of registration should be submitted to the Company at the above address, in good time, prior to the AGM. The Company provides proxy forms on request and these are also available from the Company's website, [www.byggmax.com](http://www.byggmax.com).

### **Number of shares and votes**

The Company had a total of 58,625,045 shares and votes at the date of issue of the notification. The Company does not own any of its own shares.

## **Proposed agenda**

1. Opening of the Meeting and election of the Chairman for the Meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons to verify the minutes
5. Determination of whether the Meeting has been duly convened
6. Presentation of the Annual Report and the Auditors' Report, as well as the Consolidated Financial Statements and the Consolidated Auditor's Report
7. Address by the Managing Director
8. Resolution regarding the adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet
9. Resolution regarding the appropriation of the Company's profit in accordance with the adopted balance sheet
10. Resolution regarding discharge from liability of the Board of Directors and the Managing Director
11. Determination of the number of Board members, auditors and deputy auditors
12. Determination of fees for members of the Board of Directors and auditor
13. Election of Board members, Chairman of the Board and auditor
14. Submission of the remuneration report for approval
15. Resolution regarding authorization for the Board of Directors to resolve on issue of shares, warrants and/or convertible instruments
16. Resolution regarding authorization for the Board of Directors to resolve on acquisitions and transfer of own shares
17. Resolution regarding incentive program, comprising a private placement and assignment of warrants
18. Close of the Meeting

## **Proposals for resolution**

The Nomination Committee, which comprises of Anders Algotsson, AFA Försäkring; Hans Christian Bratterud, Verdipapirfonde Odin Sverige; and Anders Moberg, Chairman of the Board, have submitted proposals for items 1 and 11–13. The Nomination Committee has been appointed in accordance with the principles previously decided by the 2020 Annual General Meeting.

### *Item 1 — Election of Chairman for the Meeting*

The Nomination Committee proposes the election of Anders Moberg as Chairman of the Annual General Meeting.

### *Item 9 – Resolution regarding the appropriation of the Company's profit in accordance with the adopted balance sheet*

The Board proposes that no dividend will be distributed for the financial year of 2022, and that the remaining profits be carried forward.

*Item 11 – Determination of the number of Board members, auditors and deputy auditors*

The Nomination Committee proposes that the number of Board members elected by the Annual General Meeting is six (seven according to the resolution from the AGM 2022). Furthermore, the Committee proposes one auditor with no deputy.

*Item 12 – Determination of fees for members of the Board of Directors and auditor*

The Nomination Committee proposes a fee of SEK 900,000 (875,000) to the Chairman of the Board and fees of SEK 360,000 (350,000) to each of the other Board members. For the Audit Committee, fees are proposed of SEK 180,000 (150,000) to the Chairman and SEK 80,000 (75,000) to each of the other two members. For the Remuneration Committee, fees are proposed of SEK 65,000 (65,000) to the Chairman and SEK 40,000 (40,000) to each of the other two members. Altogether, the Nomination Committee's proposal means that total remuneration to the Board, compared to the previous year, will decrease with SEK 235,000 to SEK 3,185,000.

The Nomination Committee also proposes that fees to the auditor are paid against approved invoices.

*Item 13 – Election of Board members, Chairman of the Board and auditor*

The Nomination Committee proposes the re-election until the end of the next Annual General Meeting of the following Board members: Anders Moberg, Daniel Mühlbach, Gunilla Spongh, Lars Ljungälv, Andréas Elgaard and Catarina Fagerholm. Kjersti Hobøl has declined re-election. It is proposed that Anders Moberg be re-elected as Chairman of the Board.

A presentation of all proposed Board members is available on the Company's website, [www.byggmax.com](http://www.byggmax.com).

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, the re-election of the Company's current auditor, the registered accounting firm Öhrlings PricewaterhouseCoopers AB, until the end of the next Annual General Meeting. Öhrlings PricewaterhouseCoopers AB have notified that Authorized Public Accountant Cesar Moré will serve as the Auditor in Charge.

*Item 14 – Submission of remuneration report for approval*

The Board of Directors proposes that the Annual General Meeting resolves to approve the remuneration report in accordance with Chapter 8, Section 53 of the Swedish Companies Act.

*Item 15 – Resolution regarding authorization of the Board of Directors to issue new shares, warrants and/or convertible instruments*

The Board of Directors proposes it be authorized to, with or without deviation from shareholders' preferential rights and on one or several occasions during the period until the next Annual General Meeting, resolve to increase the Company's share capital by issuing new shares, warrants or convertible instruments. The number of shares that such issues may comprise may be equivalent to a maximum of ten percent of the share capital of the Company at the time of the Annual General Meeting's resolution on the authorization.

Any issues with deviation from shareholders' preferential rights shall be conducted under market conditions, subject to issue discounts in line with market practice, and payment may, apart from payment in cash, be made in kind or by set-off or otherwise be coupled with conditions pursuant to the Swedish Companies Act.

Other conditions for issues pursuant to this authorization, including to whom an issue is directed, shall be left for the discretion of the Board of Directors. The purpose of the authorization and the reasons for any deviation from shareholders' preferential rights is to finance acquisitions or otherwise to capitalize the Company in a time- and cost-effective way.

The Managing Director, or any person appointed by the Board of Directors, shall be authorized to make minor amendments to the Annual General Meeting's resolution and to take those measures that are required in connection with the registration of the resolution.

A resolution in accordance with this proposal is valid only where supported by shareholders holding not less than two thirds of both the votes cast and the shares represented at the General Meeting.

*Item 16 – Resolution regarding authorization of the Board of Directors to resolve on acquisitions and transfers of own shares*

The Board of Directors proposes it be authorized to, on one or several occasions during the period until the next Annual General Meeting, resolve on acquisitions of own shares as follows:

1. Acquisition may take place provided that the Company's holding does not at any time exceed five per cent of all shares in the Company.
2. Acquisition may take place on Nasdaq Stockholm.
3. Acquisitions on Nasdaq Stockholm may only occur at a price per share within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price.
4. Payment for the shares shall be made in cash.

The Board further proposes it be authorized to, on one or several occasions during the period until the next Annual General Meeting, resolve on transfer of the Company's own shares as follows:

1. All treasury shares held by the Company at any given time may be transferred.
2. Transfer of own shares shall be made either on Nasdaq Stockholm or in another manner with deviation from shareholders' preferential rights.
3. Transfer of shares on Nasdaq Stockholm may only occur at a price per share within the price interval registered at any given time, i.e. the interval between the highest bid price and the lowest selling price. Transfer of own shares in another manner shall be conducted under market conditions, subject to issue discounts in line with market practice.
4. Payment for transferred shares may, apart from payment in cash, be made in kind or by set-off.

The purpose of the authorization to acquire and transfer own shares is to provide the Board of Directors with greater freedom of action in relation to the Company's capital structure, and to make it possible for the Company to finance acquisitions with own shares. The possibility to deviate from the shareholders' preferential rights when transferring own shares is motivated by the fact that such a transfer can be done more rapidly and more cost efficient than by a transfer to the shareholders. If, in connection with an acquisition, the Company's own shares are transferred against compensation in any other form than cash, the Company cannot provide the shareholders the opportunity to exercise their preferential rights.

A resolution in accordance with this item is valid only where supported by shareholders holding not less than two thirds of both the votes cast and the shares represented at the General Meeting.

*Item 17 – Resolution regarding incentive program, comprising a private placement and assignment of warrants*

The Board of Directors proposes that the Annual General Meeting resolve on a long-term incentive program as follows, comprising the private placement of a new issue of warrants and the assignment of warrants.

**Background and motive**

The Board of Directors deems it important and in the interest of all shareholders that the employees of the Byggmax Group have a long-term interest in a favorable trend in the Company’s share price. The Company has previously adopted warrants-based incentive programs at the 2019, 2021 and 2022 Annual General Meetings. These programs are still outstanding (for additional information see the heading “Outstanding and previous share-related incentive programs” below).

A warrants-based incentive program for the Byggmax Group’s employees enables the reward of employees to be linked to the Company’s future earnings and value trends. Long-term growth in value is thereby prioritized and the goals of shareholders and the employees concerned coincide. In addition, share-related incentive programs create a Group-wide focus for these employees and thus prioritize actions for the long-term. The incentive program is also assessed as facilitating the recruitment and retention of key employees by the Company. The Board of Directors therefore assesses, based on the design of the incentive program, that there is no need to establish any predetermined and measurable performance criteria for participation in the program.

In light of the terms and conditions, the size of the allocation and other circumstances, the Board of Directors is of the opinion that the proposed incentive program, in accordance with the following, is both reasonable and advantageous for the Company and its shareholders.

**Allotment and general terms and conditions for the warrants**

A maximum issue of 580,000 warrants is proposed. The warrants are intended to be offered to employees at market rates in even lots of 1,000 warrants. Participants in the incentive program are divided into two categories. The Board of Directors of the Company should be empowered to decide on allocation of the warrants in accordance with the following guidelines:

Category	No. of participants in the category	Guaranteed allocation of warrants per participant
Managing Director	1	200,000
Other management	10	38,000
<b>Total</b>	<b>11</b>	<b>580,000</b>

The Company's current Managing Director Mattias Ankarberg will leave his role as Managing Director on August 9, 2023, and shall therefore not be offered the opportunity to acquire warrants. The warrants above, which are intended for the Managing Director, may by the

Board of Directors be offered to the new CEO of the Company. However, such offer and transfer must take place before the end of 2023.

All warrants are to be issued free of any consideration to Byggmax AB (corp. reg. no. 556645-6215) (the “**Subsidiary**”), a wholly-owned subsidiary of the Company, to later, in turn, be assigned to the participants in the incentive program. In this connection, the price per warrant should therefore correspond to the warrant’s market value estimated through application of the customary valuation model (the Black-Scholes model) based on the share price of the listed share and other market conditions prevailing on the date of assignment.

Each warrant entitles the holder, during the period from June 12, 2028 to December 11, 2028, to subscribe for one (1) new share in the Company at a subscription price amounting to 125 per cent of the volume-weighted average price paid for the Company's share on Nasdaq Stockholm during a period of ten (10) business days from and including May 10, 2023. A day without a listing of either the payment price or the purchase price shall not be included in the calculation. The subscription price arrived at through this calculation should be rounded off to the nearest whole ten öre, whereby four (4) öre should be rounded down and five (5) öre and above rounded up. The subscription price is not permitted to be lower than the quotient value of the Company’s shares.

The calculation of the market value and calculation of the subscription price for subscription for new shares in the Company shall be performed by People & Corporate Performance, or, if this is not possible, another independent rating agency.

The subscription price and number of shares that every warrant entitles the holder to subscribe for is recalculated in the event of a split, a reverse split, new share issues, etcetera in accordance with customary conversion rules. Furthermore, in accordance with customary terms, warrants should be possible to exercise prematurely in the event of a compulsory redemption of shares, liquidation or merger whereby the Company is absorbed into another company.

A prerequisite for the allocation of warrants is that the participant signs a pre-emption agreement with the Subsidiary.

### **Costs, dilution effects and effects on relevant key ratios**

It is proposed that the participants’ acquisition of warrants is subsidized by the Byggmax Group through the participants receiving a cash bonus that, after individual tax, correspond to not more than 50 percent of the price of the warrants acquired by the respective participants. This bonus will be paid out with 1/5 annually starting one year after subscription, and with the last payment five years after subscription and requires that before each payment the respective participant is still an employee of the Byggmax Group and still holds the acquired warrants or, where applicable, the shares subscribed through exercising the warrants.

Based on a price for the Company's share of SEK 35.08, a subscription price of approximately SEK 43.90 per share, a risk-free interest rate of approximately 2.28 percent and a volatility of 32.5 percent, the value per warrant has been estimated at SEK 2.49, which gives a value for all warrants of approximately SEK 1.4 million.

Calculated on the basis of the above-mentioned estimated warrant value, the incentive program is expected to incur costs of a maximum of approximately SEK 1.5 million, of which SEK 1.1 million relates to the cash bonus to the participants and SEK 0.4 million relates to social security contributions. In addition, the incentive program will entail certain limited costs in the form of external consulting fees and administration regarding the warrants and the program. Based on the above, no measures have been taken to secure the program.

The proposed incentive program comprises a maximum of 580,000 warrants that can be utilized for subscribing for a maximum of 580,000 shares, which corresponds to a dilution effect of a maximum of approximately one per cent based on the number of shares and votes in the Company after the exercise of the warrants. The Company's share capital can increase by a maximum of SEK 201,162.296828, with reservation for any increase caused by recalculation in line with the terms of the warrants.

In total, 830,000 warrants are outstanding and held by participants in the incentive program decided at the 2019 Annual General Meeting. In total, 480,000 warrants are outstanding and held by participants in the incentive program decided at the 2021 Annual General Meeting. In total, 500,000 warrants are outstanding and held by participants in the incentive program decided at the 2022 Annual General Meeting. No more warrants may be transferred to participants in these incentive programs. Outstanding warrants from the incentive program decided at the 2019, 2021 and 2022 Annual General Meetings together with the proposed incentive program comprise a maximum of 2,390,000 warrants that can be exercised for subscription of a maximum of 2,390,000 shares in total, which corresponds to a dilution effect of a maximum of approximately four per cent based on the number of shares and votes in the Company after the exercise of the warrants. The Company's share capital can increase by a maximum of SEK 828,927.395551, with reservation for any increase caused by recalculation in line with the terms of the warrants.

Dilution and the costs of establishing and administering the incentive program are expected to have a marginal impact on the Byggmax Group's key ratios.

### **Preparation of the proposal**

The proposal has been prepared by the Board of Directors as a whole and elaborated in consultation with major shareholders and external advisors and has been discussed at board meetings in early 2023.

### **Majority requirement**

A resolution in favor of the proposal requires the support of shareholders representing a minimum of nine tenths of the votes cast and nine tenths of the shares represented at the Annual General Meeting.

### **Outstanding and previous share-related incentive programs**

At the 2019, 2021 and 2022 Annual General Meetings, the Company resolved to adopt an incentive program, comprising private placements and assignments of warrants to the Managing Director and other management. The warrants were issued free of any consideration to the Subsidiary, to later, in turn, be assigned to the participants in the incentive programs.

The program from 2019 comprised a total of 1,280,000 warrants, of which 830,000 warrants are outstanding and are held by participants in the incentive program. Each warrant entitles the holder to subscribe for one new share in the Company in the period from June 10, 2024 until December 9, 2024 at a price of SEK 47.40 per new share.

The program from 2021 comprised a total of 640,000 warrants, of which 480,000 warrants are outstanding and are held by participants in the incentive program. Each warrant entitles the holder to subscribe for one new share in the Company in the period from June 15, 2026 until December 14, 2026 at a price of SEK 91.20 per new share.

The program from 2022 comprised a total of 640,000 warrants, of which 500,000 warrants are outstanding and are held by participants in the incentive program. Each warrant entitles

the holder to subscribe for one new share in the Company in the period from June 14, 2027 until December 13, 2027 at a price of SEK 82 per new share.

The participants in the warrant programs have entered into a pre-emption agreement.

The Board of Directors intends to implement incentive programs on an annual basis.

### **Information concerning the Annual General Meeting**

The Board of Directors and the Managing Director must, if a shareholder so requests and the Board of Directors considers it possible without this resulting in material damage to the Company, provide information concerning conditions that could influence the assessment of an item on the agenda, conditions that could influence assessments of the financial condition of the Company or subsidiaries and the Company's relationship to other Group Companies.

### **Documentation for the Annual General Meeting**

The financial statements and auditors' report, the auditors' opinion on the application of guidelines for the remuneration of senior executives, a complete set of proposals for the resolutions, and, where applicable, reasoned opinions as well as other documents pursuant to the Swedish Companies Act will be available from the Company at Armégatan 38, 171 71 Solna, Sweden, and on the Company's website, [www.byggmax.com](http://www.byggmax.com), not later than three weeks before the Annual General Meeting. Copies of the documents are sent to shareholders who have requested this and provided their postal address free of charge. The documents will also be available at the Annual General Meeting.

### **Processing of personal data**

For information regarding the processing of your personal data in connection with the Annual General Meeting, please refer to the privacy policy available on <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

---

Stockholm, March 2023

**Byggmax Group AB (publ)**

*The Board of Directors*