

NELLY

NOTICE OF THE 2025 ANNUAL GENERAL MEETING

The shareholders of Nelly Group AB (publ), reg. no. 556035-6940, ("Nelly") are hereby given notice of the Annual General Meeting to be held on Friday 23 May 2025 at 10:00 CEST at Advokatfirman Cederquist's premises, Hovslagargatan 3, in Stockholm. Registration for the Annual General Meeting will commence at 09:30 CEST. Shareholders may also exercise their voting rights at the Annual General Meeting by postal voting in advance in accordance with the Articles of Association.

PARTICIPATION

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

- (i) be recorded as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances as of Thursday 15 May 2025; and
- (ii) give notice of participation no later than Monday 19 May 2025.

To be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the names of nominees must, in addition to giving notice of participation, re-register such shares in their own name so that the shareholder is recorded in the presentation of the share register as of Thursday 15 May 2025. Such re-registration may be temporary (voting rights registration) and can be requested from the nominee in accordance with the nominee's procedures in such time in advance as the nominee determines. Voting rights registrations effected by the nominee no later than Monday 19 May 2025 will be considered in the presentation of the share register.

Participation at the meeting venue

Shareholders who wish to attend the meeting venue in person or by proxy shall give notice of participation to Nelly no later than Monday 19 May 2025. Notification can be made on Nelly's website www.nellygroup.com, by e-mail to proxy@computershare.se, by telephone to +46 771-24 64 00 or by post to Computershare AB, "Nelly's AGM 2025", Gustav III:s Boulevard 34, SE-169 73 Solna, Sweden. Shareholders shall in their notice state their name, personal identification number or company registration number, address, phone number and advisors, if applicable. If the shareholder is represented by proxy at the meeting venue, a written and dated power of attorney, and registration certificate or a corresponding authorisation document for a legal entity, should be sent to the address above well before the Annual General Meeting. A template proxy form is available on Nelly's website www.nellygroup.com.

Participation by postal voting

Shareholders who wish to participate in the Annual General Meeting by postal voting must give notice of participation by casting their postal vote so that it is received by Computershare AB no later than Monday 19 May 2025. A special form shall be used for postal voting. The postal voting form is available on Nelly's website www.nellygroup.com. The postal voting form can be submitted either by e-mail to proxy@computershare.se or by post to Computershare AB, "Nelly's AGM 2025", Gustav III:s Boulevard 34, SE-169 73 Solna, Sweden. Shareholders may also cast their postal votes digitally through BankID verification via a link that can be found on Nelly's website www.nellygroup.com. If the shareholder postal votes by proxy, a written and dated a power of attorney shall be enclosed with the form. A template proxy form is available on Nelly's website www.nellygroup.com. If the shareholder is a legal entity, a registration certificate or corresponding authorisation document shall be enclosed with the postal voting form. Further instructions can be found on the postal voting form.

PROPOSED AGENDA

1. Opening of the Annual General Meeting.
2. Election of Chair of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check and verify the minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Presentation by the CEO.
8. Presentation of the Annual Report, the Auditor's Report and the consolidated financial statements and the Auditor's Report on the consolidated financial statements.
9. Resolution on the adoption of the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet.
10. Resolution on disposition of the company's result as stated in the adopted balance sheet.
11. Resolution on the discharge of liability of the members of the Board and the CEO.
12. Presentation and resolution on approval of the Remuneration Report.
13. Determination of the number of members of the Board.
14. Determination of the remuneration to the members of the Board and the Auditor.
15. Election of Board members:
 - (a) Ebba Ljungerud (re-election, proposed by the Nomination Committee).
 - (b) Stefan Palm (re-election, proposed by the Nomination Committee).
 - (c) Josephine Salenstedt (re-election, proposed by the Nomination Committee).
 - (d) Lennart Sparud (re-election, proposed by the Nomination Committee).
 - (e) Lars Axelsson (new election, proposed by the Nomination Committee).
 - (f) Mikaela Willman (new election, proposed by the Nomination Committee).
16. Election of Chair of the Board.
17. Determination of the number of Auditors and election of Auditor.
18. Resolutions on (a) adoption of a share program for senior executives in Nelly and (b) a directed new issue of ordinary shares.
19. Resolutions on (a) adoption of a performance-based share program for senior executives in Nelly, (b) a directed issue of warrants and (c) approval of transfer of warrants.
20. Resolution on authorisation for the Board to resolve on repurchase and transfer of own ordinary shares.
21. Resolution on authorisation for the Board to resolve on new issues of ordinary shares, warrants and/or convertible bonds.
22. Closing of the Annual General Meeting.

RESOLUTIONS PROPOSED BY THE NOMINATION COMMITTEE

Election of Chair of the Annual General Meeting (item 2)

The Nomination Committee proposes that Matilda Larsson, Advokatfirman Cederquist, is elected to be the Chair of the Annual General Meeting.

Determination of the number of members of the Board and election of Board members and Chair of the Board (items 13, 15 (a)-(f) and 16)

The Nomination Committee proposes that the Board shall consist of six (6) members.

The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, Ebba Ljungerud, Stefan Palm, Josephine Salenstedt and Lennart Sparud shall be re-elected as members of the Board and that Lars Axelsson and Mikaela Willman shall be elected as new members of the Board.

Lars Axelsson is COO of STC Training Club. He has over 20 years of experience with multinational companies such as H&M, where he served as Head of Merchandising and held various global positions, including Operating Officer at Arket and Sales Officer at & Other Stories. He has also worked in business development. Lars holds a Bachelor's degree in business administration from Bond University in Australia and has studied finance and IT at IHM Business School in Gothenburg.

Mikaela Willman is an Investment Manager working with Rite Ventures. She previously served as Chief of Staff and Board member of Cardo Health AB, worked as an Engagement Manager at McKinsey & Co, and led business development for H&M's e-commerce division. Mikaela holds a Bachelor's degree in international business from the University of Warwick.

The Nomination Committee proposes re-election of Ebba Ljungerud as Chair of the Board.

Determination of the remuneration to the members of the Board and the Auditor (item 14)

The Nomination Committee proposes that remuneration for ordinary Board work and for work within the Board's committees, for the period until the end of the next Annual General Meeting, shall be paid as follows.

The total remuneration to the Board amounts to SEK 2,105,000 (unchanged) and shall be distributed as follows:

- SEK 650,000 to the Chair of the Board;
- SEK 250,000 to each of the other five members of the Board;
- SEK 75,000 to the Chair and SEK 30,000 to each of the other two members of the Audit Committee; and
- SEK 50,000 to the Chair and SEK 20,000 to the other member of the Remuneration Committee.

The Nomination Committee proposes that remuneration to the Auditor shall be paid in accordance with approved invoices.

Determination of the number of Auditors and election of Auditor (item 17)

In accordance with the Audit Committee's recommendation, the Nomination Committee proposes that Nelly shall have one registered accounting firm as Auditor, and that the registered accounting firm Öhrlings PricewaterhouseCoopers AB (PwC) shall be elected as new Auditor for the period until the end of the next Annual General Meeting. PwC has informed Nelly that the authorised public accountant Mattias Palmqvist will be appointed as Auditor-in-charge if PwC is elected as Auditor.

RESOLUTIONS PROPOSED BY THE BOARD

Resolution on disposition of the company's result as stated in the adopted balance sheet (item 10)

The Board proposes that the retained earnings and the share premium reserve as well as the result for the year, a total of SEK 327,277,406 is to be carried forward.

Resolutions on (a) adoption of a share program for senior executives in Nelly and (b) a directed new issue of ordinary shares (items 18 (a)-(b))

Background and objective

The Board proposes that the Annual General Meeting resolves on adoption of a share program ("**Share Program 2025**") for senior executives in Nelly, in accordance with below.

In December 2024, an Extraordinary General Meeting of the company resolved on adoption of a long-term share program for senior executives in Nelly (Share Program 2024). The Board considers the program to be appropriately designed and now proposes that the Annual General Meeting adopts a long-term incentive program that has essentially the same terms and conditions as Share Program 2024. However, compared to Share Program 2024, the Board proposes that Share Program 2025 shall have vesting conditions relating to the reasons for any termination of employment during the term of the program and that the participants shall be compensated for the full amount of tax that the participant is obliged to pay as a result of the subscription of shares constituting a tax benefit. Just as Share Program 2024, Share Program 2025 is proposed to be directed to senior executives in Nelly. In addition, the Board proposes that the Annual General Meeting resolves to adopt a similar program (Performance Share Program 2025 as set out in item 19 on the agenda, with certain deviating conditions.

Share Program 2025 aims to create conditions for Nelly to retain key employees who are expected to contribute to the company's continued development. The objective of Share Program 2025 is to create a strong incentive for the participants to contribute to the development of the company's position and to promote long-term sustainable decisions to achieve results in accordance with the company's vision and overall strategy. The Board's intention is that participation in the program will replace variable cash remuneration previously paid to senior executives and give the participants an increased shareholding in the company through the program to further align the participants' interests with those of the shareholders.

As part of the Share Program 2025, the Board proposes that the Annual General Meeting resolves on a directed issue of ordinary shares as set out in more detail in item 18 (b) below.

(a) Resolution on adoption of a share program for senior executives in Nelly

Participants

The Board proposes that the Annual General Meeting resolves on adoption of Share Program 2025 for the following key employees of the company; Helena Karlinder-Östlundh (Chief Executive Officer), Lotta Fermén (Chief Assortment Officer), Madeleine Einarsson (Chief Sales Officer), Stefan Svensson (Chief Operating Officer), Niklas Lingblom (Chief Financial Officer), Anders Hellberg (Chief Technology Officer), Rebecca Härkönen (Head of Assortment Controlling) and Madeleine von Schedvin (Head of Design and brand portfolio).

Application for participation in Share Program 2025 shall be made during the period from the date of the Annual General Meeting's resolution to adopt Share Program 2025 up to and including 27 May 2025 by subscription of shares as set out in item 18 (b) below. The Board shall, however, be entitled to extend the application period. The Board shall resolve on final allotment of shares under the Share Program 2025 as soon as possible after the end of the application period.

Allotment and distribution

Participants who have applied for participation in the Share Program 2025 will have the opportunity to subscribe for ordinary shares in Nelly at a subscription price corresponding to the quota value of the share, as further described in item 18 (b) below. The participants have the right to subscribe for a number of shares corresponding to a total value of three (3) months' salary for the CEO and a total value corresponding to two (2) months' salary for the other participants on the date of subscription of the shares, however not exceeding the number of shares set out in the distribution under item 18 (b) below. The number of shares that each participant is entitled to subscribe for shall be determined based on the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten (10) trading days immediately preceding the date of subscription of the shares.

If a participant is prohibited from subscribing for shares in the company due to regulations under the Regulation (EU) No 596/2014 on market abuse or other insider legislation applicable in respect of the company, the shares shall be subscribed for without delay after the participant is no longer prevented from doing so.

The participants will be compensated through a cash bonus payment for an amount corresponding to the full amount of tax that the participant is obliged to pay as a result of the subscription of shares under the Share Program 2025 constituting a tax benefit (please see "*Taxation*" below).

No performance-based conditions are set for allotment under the program, as the Board considers that the terms and conditions of the program otherwise create strong incentives for the participants to contribute to the development of the company's position and promote long-term sustainable decisions in order to achieve results that are consistent with the company's vision and overall strategy.

Vesting of the shares

Vesting of the shares allotted under the Share Program 2025 shall take place during the period from the date of subscription of the shares up to and including the date falling three years thereafter (the "**Vesting Period**"), provided that the participant is entitled to retain the shares in accordance with the terms and conditions further described below.

Employment during the Vesting Period

If the participant's employment with Nelly is terminated during the Vesting Period by: (i) termination by the participant himself or herself; or (ii) termination by the company in the event of objective grounds for termination for personal reasons or after summary dismissal, the participant shall not be entitled to retain any shares allotted under the Share Program 2025. If the employment is terminated for reasons other than those stated, the participant shall have the right to retain the shares allotted under the program. After the expiry of the Vesting Period, allotted shares may be freely disposed of by the participant.

Right to dividends and other value transfers during the Vesting Period

The participant is entitled to retain (i) cash dividends, (ii) proceeds from sale of subscription rights that the participant has received and sold under a rights issue, as well as (iii) other cash value transfers received by the participant following corporate events in the company, provided that the participant was entitled to the shares at the time of the receipt. Any new shares in the company that the participant has subscribed for with preferential rights based on shares held shall not be subject to the terms and conditions of the Share Program 2025.

Agreement with an obligation to return the shares free of charge

A prerequisite for being granted shares under the Share Program 2025 is that the participants have signed an agreement with the company under which the participant undertakes to:

- Not transfer or pledge the shares during the Vesting Period.
- Provide information to the company regarding the share depositary in which the shares are held and not to move the shares from said share depositary without the consent of the company.
- Upon request of the company, enable the company to check the holding on the share depositary where the shares are held.
- Transfer, free of charge, to the company any shares that have not vested in accordance with the terms and conditions of Share Program 2025 or otherwise participate in such measures or decisions as the company deems necessary or appropriate in connection with the Share Program 2025.

Breach of the agreement shall be subject to a penalty fine corresponding to a value of the participant's shares at the time of allotment, the cash salary payment received by the participant and the company's social security costs relating to the participant's shares or, if higher, 150 percent of the market value of the shares at the time of the breach.

The Board, or the person appointed by the Remuneration Committee, shall be responsible for the detailed design and handling of the agreement within the above specified conditions and guidelines.

Taxation

The receipt of shares allotted under the Share Program 2025 is a taxable benefit that will be taxed during the year in which the shares are received by the participant. The taxable benefit value is calculated as the market value of the shares on the day the shares were received. The benefit value will be taxed as income from employment for the participants, meaning that social security contributions will be charged to the employer. The participants will be compensated through a cash bonus payment, which means that the participants will be compensated for the full amount of tax that the participant is obliged to pay as a result of the taxable benefit.

Costs, impact on key figures and dilution

The Board has conducted a preliminary cost calculation for the Share Program 2025. The costs, which mainly consist of social security contributions based on the value of the shares, costs for bonus payments to cover the participant's costs under Share Program 2025 and costs for external advisors, are preliminary estimated to amount to approximately SEK 3,338,000.

The preliminary cost calculation assumes that the maximum number of shares that may be allotted under the Share Program 2025 will correspond to a value of no more than approximately SEK 1,952,000. The calculation is further based on an assumption of a value of the company's share of SEK 34.02 per share, corresponding to the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten trading days preceding 23 April 2025.

Assuming maximum allotment of shares under Share Program 2025, whereby 68,835 shares are allotted, Share Program 2025 entails a dilution of approximately 0.23 percent of the share capital and votes in the company. The highest number of shares proposed to be issued under item 18 (b) below corresponds to 120 percent of the number of shares that would have been allotted to the participants as of the date of the notice convening the Annual General Meeting, based on a market value of the company's share calculated in accordance with the paragraph above. The number of shares allotted to the participants under the program may be less than the maximum number of shares set out in item 18 (b) and may therefore result in a lower dilution. If participants

leave the company during the Vesting Period, participants may lose all or part of their right to shares under Share Program 2025, which are then intended to be acquired by Nelly and possibly withdrawn following a resolution on reduction of the share capital. Such withdrawal of shares would reduce the dilution.

Design and handling

Share Program 2025 has been prepared by the Remuneration Committee in consultation with external advisors and has been resolved upon by the Board.

The Board, or the person appointed by the Remuneration Committee, shall be responsible for the detailed design and handling of Share Program 2025, including drafting of agreements between the company and the participants, within the specified conditions and guidelines. In connection therewith, the Board shall have the right to make adjustments to meet market conditions or to comply with applicable rules.

Existing incentive programs

Share Program 2024

At the date of this proposal, there is currently one share program ("**Share Program 2024**"), adopted by the Extraordinary General Meeting in the company on 12 December 2024. At the date of this proposal, there are two (2) remaining participants in Share Program 2024 who have acquired a total of 10,847 ordinary shares in Nelly under Share program 2024. Vesting of the shares is conditional on the participant continuing his or her employment with Nelly throughout the vesting period, which runs up to and including 16 December 2027. No performance-based conditions for vesting of the shares are set out in the program. Shares not vested in accordance with the terms and conditions of Share Program 2024 shall be transferred to Nelly free of charge in accordance with the provisions of an agreement entered into with the participants in Share Program 2024. After the expiry of the vesting period, allotted shares may be freely disposed by the participant.

PSP 2022

At the date of this proposal, there is currently one performance share plan ("**PSP 2022**"), adopted by the 2022 Annual General Meeting. At the date of this proposal, there is one (1) remaining participant in PSP 2022. Under PSP 2022, the participants have through a personal investment acquired ordinary shares in Nelly ("**Savings Shares**"). For each Savings Share, Nelly has, free of charge, allotted share rights entitling the participant to receive ordinary shares in Nelly free of charge ("**Performance Shares**") provided that, and to the extent, the performance-based condition for the period 1 April 2022 – 31 March 2026 is being fulfilled. The right to finally receive Performance Shares is also conditional upon the participant having retained the Saving Shares and, subject to certain exemptions, continued his or her employment with Nelly throughout the vesting period ending after the disclosure of Nelly's interim report for the period January-March 2026. If the participant's employment is terminated during the period 1 April 2025 – 31 March 2026, the participant shall however be entitled to one quarter of the Performance Shares provided that, and to the extent, the performance-based condition is fulfilled at the time of termination of employment. The performance-based condition is based on the total shareholder return on the ordinary share (including any dividends reinvested) during March 2022 to be compared to March 2026.

(b) Resolution on a directed new issue of ordinary shares

In order to enable delivery of the shares under Share Program 2025, the Board proposes that the Annual General Meeting resolves on a directed issue of no more than 68,835 ordinary shares under the Share Program 2025, entailing an increase of the share capital by no more than SEK 68,835. In addition, the following terms shall apply to the issue:

- a) The right to subscribe for shares shall, with deviation from the shareholder's preferential rights, only be granted certain senior executives in the company as follows:

Category	Maximum number of shares
Helena Karlinder-Östlundh	21,163 shares
Lotta Fermén	8,112 shares
Madeleine Einarsson	7,759 shares
Stefan Svensson	8,281 shares
Niklas Lingblom	7,266 shares
Anders Hellberg	7,337 shares
Rebecca Härkönen	4,332 shares
Madeleine von Schedvin	4,585 shares

- b) The reason for deviation from the shareholders' preferential rights is that the shares shall be used within Share Program 2025.
- c) Subscription for the shares shall be made on a separate subscription list no later than 27 May 2025. The Board is entitled to extend the subscription period.
- d) The subscription price shall be SEK 1 per share, corresponding to the quota value of the share.
- e) Payment for subscribed shares shall be made no later than ten (10) banking days after subscription. The Board are entitled to extend the payment period.
- f) Allotment of the shares is made by the Board in accordance with the principles laid down by the Annual General Meeting. The Board shall allot a number of shares to each participant corresponding to a value of three (3) months' salary for the CEO and a total value corresponding to two (2) months' salary for the other participants, however not exceeding the number of shares as shown in the distribution above. Over-subscription may not occur.
- g) A prerequisite for being allocated the shares is that the participant has signed an agreement with the company, detailing the conditions for participation in Share Program 2025.
- h) The new shares shall entitle to dividend for the first time on the record date for dividends that occurs closest after the new shares have been registered with the Swedish Companies Registration Office and entered into the share register maintained by Euroclear Sweden AB.

Resolutions on (a) adoption of a performance-based share program for senior executives in Nelly, (b) a directed issue of warrants and (c) approval of transfer of warrants (items 19 (a)-(c))

Background and objective

The Board proposes that the Annual General Meeting resolves on adoption of a performance-based share program ("**Performance Share Program 2025**") for senior executives in Nelly, in accordance with below.

In December 2024, the Extraordinary General Meeting of the company resolved on adoption of a long-term share program for senior executives in Nelly (Share Program 2024). The Board considers the program to be appropriately designed and now proposes that the Annual General Meeting adopts a long-term incentive program that has essentially the same terms and conditions as Share Program 2024. However, compared to Share Program 2024, the Board proposes that

Performance Share Program 2025 shall have vesting conditions relating to the reasons for any termination of employment during the term of the program and performance conditions based on the increase in the company's EBIT margin. Just as Share Program 2024, Performance Share Program 2025 is proposed to be directed to senior executives in Nelly. In addition, the Board proposes that the Annual General Meeting resolves to adopt a similar program (Share Program 2025) as set out in item 18 of the agenda, with certain deviating conditions.

Performance Share Program 2025 aims to create conditions for Nelly to retain key employees who are expected to contribute to the company's continued development. The objective of Performance Share Program 2025 is to create a strong incentive for the participants to contribute to the development of the company's position and to promote long-term sustainable decisions to achieve results in accordance with the company's vision and overall strategy. The Board's intention is that participation in the program will replace variable cash remuneration previously paid to senior executives and give the participants an increased shareholding in the company through the program to further align the participants' interests with those of the shareholders.

As part of the Performance Share Program 2025, the Board proposes that the Annual General Meeting resolves on a directed issue of warrants and approval of transfer of warrants as set out in more detail in item 19 (b) and (c) below.

(a) Resolution on adoption of a performance-based share program for senior executives in Nelly

Participants

The Board proposes that the Annual General Meeting resolves on adoption of Performance Share Program 2025 for the following key employees of the company; Helena Karlinder-Östlundh (Chief Executive Officer), Lotta Fermén (Chief Assortment Officer), Madeleine Einarsson (Chief Sales Officer), Stefan Svensson (Chief Operating Officer), Niklas Lingblom (Chief Financial Officer), Anders Hellberg (Chief Technology Officer), Rebecca Härkönen (Head of Assortment Controlling) and Madeleine von Schedvin (Head of Design and brand portfolio).

Application for participation in Performance Share Program 2025 shall be made during the period from the date of the Annual General Meeting's resolution to adopt Performance Share Program 2025 up to and including 12 June 2025 by application for acquisition of warrants (to be immediately exercised by subscribing for ordinary shares in Nelly) as set out in item 19 (c) below. The Board shall, however, be entitled to extend the application period. The Board resolves on final allotment of shares (through transfer of warrants that are exercisable for subscription of ordinary shares) under the Performance Share Program 2025 as soon as possible after the fulfilment of the performance condition described under "*Performance condition*" below has been presented by the Board.

Allotment and distribution

Participants who have applied for participation in the Performance Share Program 2025 will, provided that the performance condition described below is fulfilled, have the opportunity to acquire warrants from the company free of charge which immediately shall be exercised for subscription of ordinary shares in Nelly at a subscription price corresponding to the quota value of the share, as further described in item 19 (b) and (c) below. The participants have the right to subscribe for a number of shares corresponding to a total value of three (3) months' salary for the CEO and a total value corresponding to two (2) months' salary for the other participants on the date of acquisition of the warrants, however not exceeding the number set out in the distribution under item 19 (c) below. The number of shares that each participant is entitled to subscribe for shall be determined based on the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten (10) trading days immediately preceding the date of acquisition of the warrants.

If a participant is prohibited from acquiring warrants and subscribing for shares in the company due to regulations under the Regulation (EU) No 596/2014 on market abuse or other insider legislation applicable in respect of the company, the warrants shall be acquired and the shares shall be subscribed for without delay after the participant is no longer prevented from doing so.

The participants will be compensated through a cash bonus payment for an amount corresponding to half of the tax that the participant is obliged to pay as a result of the subscription of shares under the Performance Share Program 2025 constituting a tax benefit (please see "Taxation" below). The remaining part of the tax shall be paid by the participant.

Performance condition

The participant's right to subscribe for shares under the Performance Share Program 2025 shall be conditional upon the fulfilment of a financial performance condition regarding increase in the company's EBIT margin (the "**Performance Condition**") during a performance period corresponding to the financial year 2025. The Performance Condition shall be considered fulfilled if the company's EBIT margin for the financial year 2025, compared to the financial year 2024, has increased with at least 25 percent. If the Performance Condition is not fulfilled during the financial year 2025, the participant shall not be entitled to subscribe for any shares under the Performance Share Program 2025. The Board intends to present the fulfilment of the Performance Condition in the annual report for the financial year 2025.

Vesting of the shares

Vesting of the shares subscribed for under the Performance Share Program 2025 by virtue of the warrants shall take place during the period from the date of application for participation in the program up to and including the date falling three years thereafter (the "**Vesting Period**"), provided that the participant is entitled to retain the shares in accordance with the terms and conditions further described below.

Employment during the Vesting Period

If the participant's employment with Nelly is terminated during the Vesting Period by: (i) termination by the participant himself or herself; or (ii) termination by the company in the event of objective grounds for termination for personal reasons or after summary dismissal, the participant shall not be entitled to retain any shares allotted under the Performance Share Program 2025. If the employment is terminated for reasons other than those stated, the participant shall have the right to retain the shares allotted under the program. After the expiry of the Vesting Period, allotted shares may be freely disposed of by the participant.

Right to dividends and other value transfers during the Vesting Period

The participant is entitled to retain (i) cash dividends, (ii) proceeds from sale of subscription rights that the participant has received and sold under a rights issue, as well as (iii) other cash value transfers received by the participant following corporate events in the company, provided that the participant was entitled to the shares at the time of the receipt. Any new shares in the company that the participant has subscribed for with preferential rights based on shares held shall not be subject to the terms and conditions of the Performance Share Program 2025.

Agreement with an obligation to return the shares free of charge

A prerequisite for being granted shares under the Performance Share Program 2025 is that the participants have signed an agreement with the company under which the participant undertakes to:

- Not transfer or pledge the shares during the Vesting Period.
- Provide information to the company regarding the share depositary in which the shares are held and not to move the shares from said share depositary without the consent of the

company.

- Upon request of the company, enable the company to check the holding on the share depository where the shares are held.
- Transfer, free of charge, to the company any shares that have not vested in accordance with the terms and conditions of Performance Share Program 2025 or otherwise participate in such measures or decisions as the company deems necessary or appropriate in connection with the Performance Share Program 2025.

Breach of the agreement shall be subject to a penalty fine corresponding to a value of the participant's shares at the time of allotment, the cash salary payment received by the participant and the company's social security costs relating to the participant's shares or, if higher, 150 percent of the market value of the shares at the time of the breach.

The Board, or the person appointed by the Remuneration Committee, shall be responsible for the detailed design and handling of the agreement within the above specified conditions and guidelines.

Taxation

The receipt of warrants allotted under the Performance Share Program 2025 is a taxable benefit that will be taxed during the year in which the warrants are received by the participant. The taxable benefit value is calculated as the market value of the warrants on the day the warrants were received. The benefit value will be taxed as income from employment for the participants, meaning that social security contributions will be charged to the employer. The participants will be compensated through a cash bonus payment, which means that the participants will be compensated for half of the tax that the participant is obliged to pay as a result of the taxable benefit.

Costs for the program, impact on key figures and dilution

The Board has conducted a preliminary cost calculation for the Performance Share Program 2025. The costs, which mainly consist of social security contributions based on the value of the shares, costs for bonus payments to cover the participant's costs under Performance Share Program 2025 and costs for external advisors, are preliminary estimated to amount to approximately SEK 2,056,000.

The preliminary cost calculation assumes that the maximum number of shares that may be allotted under the Performance Share Program 2025 will correspond to a value of no more than approximately SEK 1,952,000. The calculation is further based on an assumption of a value of the company's share of SEK 34.02 per share, corresponding to the volume-weighted average price of the company's share on Nasdaq Stockholm during a period of ten (10) trading days preceding 23 April 2025.

Assuming maximum allotment of shares under Performance Share Program 2025, whereby 74,572 shares are allotted to the participants, Performance Share Program 2025 entails a dilution of approximately 0.24 percent of the share capital and votes in the company. The highest number of warrants proposed to be issued under item 19 (b) below corresponds to 130 percent of the number of shares that would have been allotted to the participants as of the date of the notice convening the Annual General Meeting, based on a market value of the company's share calculated in accordance with the paragraph above. The number of shares allotted to the participants under the program may be less than the maximum number of warrants set out in item 19 (b) and may therefore result in a lower dilution. If participants leave the company during the Vesting Period, participants may lose all or part of their right to shares under Performance Share Program 2025, which are then intended to be acquired by Nelly and possibly withdrawn

following a resolution on reduction of the share capital. Such withdrawal of shares would reduce the dilution.

Design and handling

Performance Share Program 2025 has been prepared by the Remuneration Committee in consultation with external advisors and has been resolved upon by the Board.

The Board, or the person appointed by the Remuneration Committee, shall be responsible for the detailed design and handling of Performance Share Program 2025, including drafting of agreements between the company and the participants, within the specified conditions and guidelines. In connection therewith, the Board shall have the right to make adjustments to meet market conditions or to comply with applicable rules.

Existing incentive programs

Share Program 2024

At the date of this proposal, there is currently one share program ("**Share Program 2024**"), adopted by the Extraordinary General Meeting in the company on 12 December 2024. At the date of this proposal, there are two (2) remaining participants in Share Program 2024 who have acquired a total of 10,847 ordinary shares in Nelly under Share program 2024. Vesting of the shares is conditional on the participant continuing his or her employment with Nelly throughout the vesting period, which runs up to and including 16 December 2027. No performance-based conditions for vesting of the shares are set out in the program. Shares not vested in accordance with the terms and conditions of Share Program 2024 shall be transferred to Nelly free of charge in accordance with the provisions of an agreement entered into with the participants in Share Program 2024. After the expiry of the vesting period, allotted shares may be freely disposed by the participant.

PSP 2022

At the date of this proposal, there is currently one performance share plan ("**PSP 2022**"), adopted by the Annual General Meeting 2022. At the date of this proposal, there is one (1) remaining participant in PSP 2022. Under PSP 2022, the participants have through a personal investment acquired ordinary shares in Nelly ("**Savings Shares**"). For each Savings Share, Nelly has, free of charge, allotted share rights entitling the participant to receive ordinary shares in Nelly free of charge ("**Performance Shares**") provided that, and to the extent, the performance-based condition for the period 1 April 2022 – 31 March 2026 is being fulfilled. The right to finally receive Performance Shares is also conditional upon the participant having retained the Saving Shares and, subject to certain exemptions, continued his or her employment with Nelly throughout the vesting period ending after the disclosure of Nelly's interim report for the period January-March 2026. If the participant's employment is terminated during the period 1 April 2025 – 31 March 2026, the participant shall however be entitled to one quarter of the Performance Shares provided that, and to the extent, the performance-based condition is fulfilled at the time of termination of employment. The performance-based condition is based on the total shareholder return on the ordinary share (including any dividends reinvested) during March 2022 to be compared to March 2026.

(b) Resolution on a directed issue of warrants

In order to enable delivery of shares under Performance Share Program 2025, the Board proposes that the Annual General Meeting resolves on a directed issue of no more than 74,572 warrants of series 2025/2026 under the Performance Share Program 2025. The following terms shall apply to the issue:

- a) The right to subscribe for the warrants shall, with deviation from the shareholders' preferential right, be granted Nelly with the right and obligation to transfer the warrants to senior

executives in the company in accordance with the proposal under item 19 (c) below. The company shall not have the right to dispose of the warrants in any other way than as set out in the proposal under item 19 (c) below. Oversubscription cannot take place.

- b) The reason for the deviation from the shareholders' preferential right is that the warrants shall be used within Performance Share Program 2025.
- c) The warrants shall be issued free of charge.
- d) Subscription of the warrants shall be made on a separate subscription list no later than 12 June 2025. The Board shall have the right to extend the subscription period.
- e) Each (1) warrant entitles to subscription of one (1) new ordinary share in the company. Subscription of new shares by virtue of the warrants may take place during the period from and including 1 April 2026 (however no earlier than the day after publication of the company's annual report for the financial year 2025) up to and including the date that falls 30 calendar days thereafter. Pursuant to the terms and conditions of the warrants, the period during which the warrants may be exercised may be extended if participants are prevented from exercising their warrants due to applicable rules on insider trading or equivalent.
- f) The subscription price per each new share subscribed for by virtue of the warrants shall be an amount corresponding to the quota value of the share.
- g) The new shares issued following exercise of the warrants shall entitle to dividend for the first time on the first record date for dividends that occurs closest after the subscription has been effected.
- h) Warrants held by the company which have not been transferred in accordance with item 19 (c) below, may be cancelled by the company following a resolution by the Board. Cancellation shall be notified to the Swedish Companies Registration Office for registration.
- i) The complete terms and conditions for the warrants are set out in Appendix A. As set forth therein, the subscription price as well as the number of shares that each warrant entitles to subscription of may be subject to recalculation under certain circumstances.
- j) The company's share capital may, upon exercise of all 74,572 warrants of series 2025/2026, be increased by no more than SEK 74,572 (subject to any re-calculations in accordance with the complete terms and conditions of the warrants).

(c) Resolution on approval of transfer of warrants

The Board proposes that the Annual General Meeting resolves to approve that the company may transfer up to 74,572 warrants of series 2025/2026 free of charge to participants in Performance Share Program 2025 in connection with the delivery of shares under Performance Share Program 2025.

- a) The right to acquire warrants from the company shall be granted certain senior executives in the company in accordance with the following:

Category	Maximum number of warrants
Helena Karlinder-Östlundh	22,927 warrants
Lotta Fermén	8,788 warrants
Madeleine Einarsson	8,406 warrants
Stefan Svensson	8,971 warrants
Niklas Lingblom	7,872 warrants

Anders Hellberg	7,948 warrants
Rebecca Härkönen	4,693 warrants
Madeleine von Schedvin	4,967 warrants

- b) The number of warrants to be transferred to each participant shall be calculated on the basis that the participants have the right to subscribe for a number of shares which, on the date of acquisition of the warrants, corresponds to a total value of three (3) months' salary for the CEO and a value corresponding to a total of two (2) months' salary for the other participants, however not more than the number shown in the table above.
- c) The warrants shall immediately be exercised for subscription of shares, provided that the participant is not prevented from exercising its warrants due to applicable rules on insider trading or equivalent.
- d) A prerequisite for the right to acquire warrants from the company is that the Performance Condition described under "*Performance Condition*" above has been fulfilled as of the date of the transfer.

Resolution on authorisation for the Board to resolve on repurchase and transfer of own ordinary shares (item 20)

The Board proposes that the Annual General Meeting resolves to authorise the Board to resolve on repurchase of own ordinary shares on the main terms and conditions set out below.

- Repurchase of ordinary shares may take place on Nasdaq Stockholm, on one or several occasions during the period up until the next Annual General Meeting.
- A maximum number of ordinary shares may be repurchased so that the company's holding does not at any time exceed 10 percent of the total number of shares in Nelly.
- Repurchase of ordinary shares on Nasdaq Stockholm may occur at a price per share within the at each time registered share price interval, by which is meant the difference between the highest buying price and the lowest selling price.
- Payment for the shares shall be made in cash.

The Board further proposes that the Annual General Meeting resolves to authorise the Board to resolve on transfer of own ordinary shares, with or without deviation from the shareholders' preferential rights, on the main terms and conditions set out below.

- Transfer of ordinary shares may take place (i) on Nasdaq Stockholm or (ii) outside of Nasdaq Stockholm in connection with acquisition of companies or businesses.
- Transfers may take place on one or several occasions during the period up until the next Annual General Meeting.
- Transfer may be made of up to such number of ordinary shares that are held by Nelly at the time of the Board's resolution on the transfer.
- Transfer of ordinary shares on Nasdaq Stockholm may only occur at a price per share within the at each time registered share price interval, by which is meant the difference between the highest buying price and the lowest selling price. For transfers outside of Nasdaq Stockholm, payment may be made in cash, in kind or through set-off and the price shall be determined so that the transfer is made on market terms.

The purpose of the authorisations to repurchase and transfer own ordinary shares, and the reason for the deviation from the shareholders' preferential rights (as regards transfers of own shares), is to enable the company to pursue potential acquisition opportunities as they arise. Furthermore,

the purpose of the authorisation to repurchase own ordinary shares is to provide the Board more options in its efforts to deliver long-term shareholder value and total return to the shareholders.

Resolution on authorisation for the Board to resolve on new issues of ordinary shares, warrants and/or convertible bonds (item 21)

The Board proposes that the Annual General Meeting authorises the Board to, on one or more occasions during the period until the next Annual General Meeting, resolve to issue new ordinary shares, warrants and/or convertible bonds. The increase in share capital, which entails issuance, conversion or subscription for new ordinary shares, may correspond to a dilution of no more than 25 percent of the share capital in Nelly at the time of the Annual General Meeting. New issues of ordinary shares, warrants and/or convertible bonds may be effected with or without deviation from the shareholders' preferential rights. Payment may be made in cash, in kind or through set-off. New issues with deviation from the shareholders' preferential rights shall be made on market terms. The purpose of the authorisation and the reason for any deviation from the shareholders' preferential rights is to increase the company's financial flexibility by allowing the company to raise new capital to finance its operations as well as to finance acquisitions of companies, businesses or parts thereof.

ADDITIONAL INFORMATION

Number of shares and votes

There are a total of 30,494,832 shares in Nelly, distributed over 30,026,125 ordinary shares and 468,707 shares of Class C, corresponding to a total of 30,494,832 votes. As of the date of this notice, Nelly holds 42,747 ordinary shares and 468,707 shares of Class C in treasury, which cannot be represented at the Annual General Meeting.

Shareholders' right to request information

The Board and the CEO shall, if any shareholder so requests and the Board believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, as well as circumstances that can affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the Group and the consolidated accounts.

Majority requirements

The Board's proposals under items 18 (a) and (b) constitute a joint proposal and shall be made as one resolution. The Board's proposals under items 19 (a), (b) and (c) also constitute a joint proposal and shall be made as one resolution. Valid resolutions under items 18 and 19 require support by shareholders holding not less than nine tenths of both the votes cast and the shares represented at the Annual General Meeting. Valid resolutions under items 20 and 21 require support by shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

Documentation

The Board's and the Nomination Committee's complete proposals to the Annual General Meeting are set out in this notice. The Nomination Committee's motivated opinion regarding its proposal for election of the Board as well as information on the proposed Board members are available on Nelly's website www.nellygroup.com. The 2024 Annual Report and other documents to the Annual General Meeting will be available on Nelly's website www.nellygroup.com and at its office at Lundbygatan 1 in Borås no later than 30 April 2025. Hard copies of the documents will be sent to those shareholders who so request and state their postal or e-mail address.

Authorisation

The Board, or any person appointed by the Board, shall be authorised to make the minor adjustments in the resolutions by the Annual General Meeting as may be required in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Processing of personal data

For information regarding the processing of your personal data, please refer to:
www.computershare.com/se/gm-gdpr and
www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf.

Borås, April 2025
Nelly Group AB (publ)
THE BOARD OF DIRECTORS
