

NOTICE TO ANNUAL GENERAL MEETING OF KARNELL GROUP AB (PUBL)

Karnell Group AB (publ) (“**Karnell**” or the “**Company**”) will hold its Annual General Meeting on Wednesday 7 May 2025 at 01.30 p.m. CEST at Haymarket by Scandic, Hötorget 13–15, Stockholm, Sweden. Registration will commence at 01.00 p.m. CEST.

RIGHT TO ATTEND AND NOTICE

Shareholders wishing to attend the Annual General Meeting

shall be registered as a shareholder in the share register maintained by Euroclear Sweden AB concerning the circumstances on Monday 28 April 2025, and

shall give notice of their attendance at the meeting no later than Wednesday 30 April 2025. Notice of attendance may be given by email to info@karnell.se, or by post to Karnell Group AB (publ), Riddargatan 13 D, SE-114 51, Stockholm, Sweden. When giving notice of attendance, please state your name or company name, personal identification number or company registration number, address and daytime telephone number. The notice procedure described above also applies to registration for any assistants.

NOMINEE-REGISTERED SHARES

To be entitled to participate in the Annual General Meeting, shareholders whose shares are registered in the name of a nominee must, in addition to give notice of participation, re-register such shares in their own name so that the shareholder is recorded in the share register as of Monday 28 April 2025. Such registration may be temporary (so called voting rights registration) and is requested from the nominee in accordance with the nominee’s procedures in such time in advance as decided by the nominee. The preparation of the share register as of the record date Monday 28 April 2025 will consider voting rights registrations made no later than Wednesday 30 April 2025.

PROXY ETC.

Shareholders who wish to attend the meeting venue in person or through a proxy representative are entitled to bring one or two assistants. Shareholders who wish to bring assistants shall state this in connection with the notice of attendance. Shareholders represented by a proxy shall issue a written and dated power of attorney for the proxy. If the power of attorney is issued by a legal entity, a copy of a certificate of incorporation, or if such document does not exist, a corresponding authorisation document shall be enclosed. In order to facilitate the registration at the meeting, the power of attorney and certificate of incorporation and other documents of authority should be received by the Company at the address stated above well in advance of the Annual General Meeting. A proxy form is available on the Company’s website, www.karnell.se.

PROPOSED AGENDA

1. Opening of the meeting
2. Election of chairman of the meeting
3. Preparation and approval of the voting list
4. Election of one or two persons to verify the minutes
5. Determination of whether the meeting has been duly convened
6. Approval of the agenda
7. Presentation of the annual report and the audit report and the consolidated financial statements and the audit report on the consolidated financial statements
8. Presentation by the CEO
9. Resolution on:
 - a) adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet,
 - b) disposition of profits or losses in accordance with the adopted balance sheet, and determination of record date in case of dividend, and
 - c) discharge from liability for the directors of the board and the CEO
10. Determination of the number of directors of the board
11. Determination of remuneration to the directors of the board and the auditor
12. Election of directors of the board, chairman of the board and auditor
13. Presentation of the remuneration report for approval
14. Resolution on warrant program including issue and transfer of warrants
15. Resolution on authorisation for the board to resolve to issue new shares of class B
16. Closing of the meeting

RESOLUTIONS PROPOSED BY THE NOMINATION COMMITTEE

The Company's nomination committee, which for the Annual General Meeting 2025 consists of Mattias Klintemar (appointed by Östersjöstiftelsen), chairman of the nomination committee, Christian Karlander (appointed by Borgviks Bruk AB), Per Nordgren (appointed by PN Verksamhetsutveckling AB), and Patrik Rignell (chairman of the board of directors in Karnell), has submitted proposals for resolutions regarding items 2 and 10-12 on the agenda.

Election of chairman of the meeting (item 2)

The nomination committee proposes that Patrik Rignell is appointed chairman of the meeting.

Determination of the number of directors of the board (item 10)

The nomination committee proposes that the number of directors of the board shall be six, with no deputies.

Determination of remuneration to the directors of the board and the auditor (item 11)

The nomination committee proposes that the remuneration to the board members shall be paid, for the period until the end of the next Annual General Meeting, with SEK 500,000 (unchanged) to the chairman of the board, and with SEK 250,000 (unchanged) to each of the other board members. Patrik Rignell, who is proposed chairman of the board of directors in accordance with item 12 on the agenda, also receives salary from the Company, corresponding to an annual salary of SEK 1,620,000, for the additional tasks that he performs for the Company in addition to those assigned to him in his capacity as chairman of the board. The extent of the tasks is equivalent to a full-time position. The tasks have been defined in the rules of procedure of the board of directors and mainly include work on issues related to strategy, capital structure and financing as well as related to Karnell's acquisition activities.

Furthermore, the nomination committee proposes that for work in the audit committee annual remuneration of SEK 75,000 (unchanged) shall be paid to the chairman of the committee, and SEK 50,000 (unchanged) to the other member. For work in the remuneration committee, it is proposed that annual remuneration of SEK 50,000 (unchanged) be paid to the chairman of the committee, and SEK 35,000 (unchanged) to the other member. The total remuneration to the board members, including for committee work, shall therefore amount to SEK 1,960,000 provided that the Annual General Meeting resolves in accordance with the nomination committee's proposal on the number of board members.

The nomination committee proposes that remuneration to the auditor shall be paid in accordance with approved invoices.

Election of directors of the board, chairman of the board and auditor (item 12)

The nomination committee proposes that Patrik Rignell, Hans Karlander, Dajana Mirborn, Lena Wäppling, Per Nordgren and Helena Nordman-Knutson shall be re-elected as board members for the period until the end of the next Annual General Meeting. Further, the nomination committee proposes re-election of Patrik Rignell as chairman of the board of directors.

Information about the proposed board members is available on the Company's website, www.karnell.se.

In accordance with the audit committee's recommendation, the nomination committee proposes that the registered accounting firm Ernst & Young Aktiebolag is re-elected as auditor for the period until the end of the next Annual General Meeting.

Ernst & Young Aktiebolag has informed that, if the nomination committee's proposal for auditor is also elected by the general meeting, authorised public accountant Michaela Nilsson will continue to as auditor in charge.

RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

The Company's board of directors has submitted proposals for resolutions under items 9 b) and 13-16 on the agenda.

Resolution on disposition of profits or losses in accordance with the adopted balance sheet, and determination of record date in case of dividend (item 9 b)

The board proposes that the Annual General Meeting resolves that no dividend is paid for the financial year 2024, and that the whole amount available be carried forward.

Resolution on warrant program including issue and transfer of warrants (item 14)

The board proposes that the Annual General Meeting resolves on introducing a warrant program including issue and transfer of warrants in accordance with the following.

1 Issue of warrants

- 1.1 The board proposes that the Annual General Meeting resolves on a directed issue of a maximum of 900,000 warrants, entailing an increase of the share capital by a maximum of SEK 90,000 upon full exercise.
- 1.2 The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, be granted to a wholly owned subsidiary of Karnell, with the right and obligation as set forth in section 2 below to transfer the warrants to employees. Oversubscription may not take place. The warrants shall be issued free of charge to the subsidiary.
- 1.3 The reasons for the deviation from the shareholders' preferential rights is to strengthen the link between the employees and created shareholder value, facilitate recruitment and give employees an opportunity to participate in future value creation. Thus, an increased alignment of interests is expected to arise between employees and the shareholders of the Company.
- 1.4 Subscription of the warrants shall take place within four weeks from the date of the resolution to issue warrants. The board of directors shall have right to extend the subscription period.
- 1.5 Each warrant shall entitle to subscription of one (1) share of class B in the Company. According to section 1.8 below, net strike shall be applied when exercising the warrants, which means that a recalculation shall be made of the number of shares of class B that each warrant entitles the holder to subscribe for.
- 1.6 Subscription for shares of class B in accordance with the terms and conditions of the warrants may be carried out on two occasions: (i) a three-week period from the day following the publication of the Company's interim report for the period of 1 January – 31 March 2028, but no earlier than 13 April 2028 and no later than 4 June 2028, and (ii) a three-week period from the day following the publication of the Company's interim report for the period of 1 January – 30 June 2028, but no earlier than 16 August 2028 and no later than 6 September 2028. If the warrant holder is unable to subscribe for shares of class B during these periods because of applicable insider regulation, the Company shall have the right to permit that such warrant holder may instead subscribe for shares of class B as soon as the holder is no longer prevented from doing so, but no later than 30 calendar days after such impediment has ended.
- 1.7 The subscription price per share of class B shall be 123 percent of the share of class B's average volume weighted price paid on Nasdaq Stockholm during the period from 8 May 2025 up to and including 21 May 2025. If the subscription price exceeds the quota value, the excess amount

(the premium) shall be included in the unrestricted share premium reserve in the Company's balance sheet.

- 1.8 Upon exercise of the warrants, a recalculation for the exercise of the warrants at net value is applied in accordance with the complete terms and conditions for the warrants where the subscription price for each share of class B shall correspond to the share's quota value of SEK 0.1 and the warrants entitle to a recalculated, as a starting point, lower number of shares compared to if recalculation would not be applied.
- 1.9 The shares of class B that are subscribed for by virtue of the warrants shall entitle to dividends for the first time on the first record date for dividends which occurs after the subscription for shares of class B by exercise of the warrants has been effected.
- 1.10 The subscription price and the number of shares of class B that the warrants entitle to may be recalculated on the basis of, among other things, dividends, bonus issues, share splits or reverse share splits, rights issues or certain reductions of the share capital or similar actions in accordance with the complete terms and conditions for the warrants. The new shares of class B that may be issued upon new subscription are not subject to any restrictions.
- 1.11 Warrants held by Karnell's wholly owned subsidiary, and which are not transferred in accordance with section 2 below may be cancelled by the Company following a decision by the board of directors of the Company with the consent of the board of directors of the subsidiary. Cancellation shall be registered with the Swedish Companies Registration Office.
- 1.12 The board of directors, or someone appointed by the board of directors, is proposed to be authorised to make such minor adjustments to the resolution above which may prove necessary in connection with the registration of the resolution with the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal requirements.
- 1.13 Other terms and conditions are stated in the full terms of the warrants which are available on the Company's website, www.karnell.se.

2 Approval of transfer of warrants

2.1 Participants and allotment

- 2.1.1 The board of directors proposes that the Annual General Meeting approves of the subsidiary's transfer of warrants on the following conditions.
- 2.1.2 The right to acquire warrants from the subsidiary shall be granted to the CEO, other members of the group management, and other key persons.
- 2.1.3 The Company's CEO shall have to possibility to acquire at least 225,000 and not more than 450,000 warrants.
- 2.1.4 The guaranteed number of warrants for the other members of group management and other key persons is 10,000 – 75,000 depending on position and area of responsibility. Should warrants remain after all applications have been satisfied, the remaining warrants may be allotted to participants who have expressed an interest in acquiring more warrants than the guaranteed number. However, such additional allotment of warrants may amount to a maximum of 50 percent in relation to the guaranteed number. If the remaining warrants are not sufficient to satisfy all applications, the warrants shall be allotted pro rata in relation to the number of warrants acquired by each participant. The Company's board of directors decides on final allotment.

- 2.1.5 The right to acquire warrants shall only belong to the persons who have not terminated their employment or whose employment has not been terminated at the end of the application period.
- 2.1.6 Transfer to participants is conditional upon it being legally possible to acquire the warrants, and that such transfers can be done using reasonable administrative and financial resources according to the assessment of the board of directors. Furthermore, the board of directors shall be entitled to, with regard to certain participants outside Sweden, alter the program into a cash based program or a program based on synthetic warrants, should this according to the board of directors be motivated due to, for instance, tax and/or legal reasons. In such a case, a maximum outcome per participant shall be determined by the board of directors.
- 2.2 Price and payment etc.
- 2.2.1 The warrants shall be transferred on market terms at a price (premium) corresponding to a calculated market value of the warrants performed by an independent valuation institute using a generally recognised valuation model. Transfer of the warrants to the participants shall take place as soon as practicable possible after the Annual General Meeting 2025 and no later than 30 June 2025.
- 2.2.2 The value of the warrants has been preliminarily calculated to be SEK 7.55 per warrant based on a share price of SEK 46.08, which corresponds to the volume weighted average price of Karnell's share of class B during the ten trading days up to and including 2 April 2025. The preliminary valuation has been performed by an independent valuation institute, PwC.
- 2.2.3 The Company intends to subsidise the warrant premium for the warrants by the Company repaying the amount paid by the participant as payment for the warrants by means of a cash compensation. The Company will pay such social security contributions (*Sw. sociala avgifter*) as the Company is legally obliged to pay. Only premiums for warrants that do not exceed the guaranteed level of each participant will be subsidised, in accordance with what is stated in item 2.1.2 above. The participant's entitlement to compensation requires that the participant, at the time of the commencement of the first subscription period, is still employed by the Karnell group, has not resigned or been dismissed and has not transferred his or her warrants.
- 2.2.4 The total cost for the subsidisation, based on assumptions of the value of the warrants as set out above, is calculated to amount to a maximum of approximately SEK 3.0 million including social security contributions. The Company receives an amount corresponding to the total warrant premiums, which is recognised in equity, and therefore the subsidy has a limited impact in terms of liquidity (approximately SEK 0.7 million).
- 2.3 Right of first refusal and termination of employment
- 2.3.1 The warrants shall be subject to an obligation for participants who wish to transfer or otherwise dispose his or her warrants to a third party, to first offer the Company or its subsidiaries to repurchase the warrants at market value. Furthermore, the warrants shall be subject to a right for the Company or its subsidiaries to repurchase at market value if a participant's employment in the Karnell group ceases during the term of the program. If a holder's employment in the Company is terminated, this also entails a limitation of the right to subsidise the premium for the warrants.
- 3 Further information on the warrant program
- 3.1 Dilution and increase in share capital

- 3.1.1 Each warrant entitles to subscription of such number of shares of class B as follows by section 1.8 above but never more than one (1) share of class B per warrant. Upon subscription of all 900,000 warrants, a maximum of 900,000 new shares of class B may thereby be issued, which corresponds to a maximum dilution of approximately 1.67 percent of the total number of shares in the Company and approximately 0.82 percent of the total number of votes in the Company after full subscription of all warrants, subject to any recalculation following certain corporate events in accordance with the complete terms and conditions for the warrants. The recalculation applied in accordance with section 1.8 above means that each warrant, as a starting point, entitles the holder to a lower number of shares of class B and thus a lower dilution.
- 3.1.2 Assuming that the subscription price for the shares of class B in Karnell that the warrants entitle to subscription of is set to SEK 56.70, the recalculation upon exercise to net value in accordance with section 1.8 above upon new subscription by virtue of all 900,000 warrants means that the total dilution would be as follows at the volume weighted average prices for Karnell's shares of class B in connection with the commencement of the relevant subscription period, as set out in the left-hand column below:

N.B. Illustrative calculation example based on an assumed subscription price of SEK 56.70.

Average share price of the share of class B at exercise	Total number of new shares of class B	Total increase of the share capital	Total dilution (calculated on the total number of shares in the Company)
SEK 58	0	SEK 0	0%
SEK 60	49,500	SEK 4,950	0.09%
SEK 70	171,000	SEK 17,100	0.32%
SEK 80	262,125	SEK 26,212.50	0.49%

- 3.2 Impact on financial ratios and costs for the Company etc.
- 3.2.1 The proposed warrant program is expected to have a marginal impact on the Company's key ratios. The costs for the warrant program assuming full participation are mainly expected to consist of the costs for the subsidy as set out in section 2.2.4 above, and otherwise consist of limited costs related to the preparation of the resolution proposal and administration during the duration of the program.
- 3.3 Preparation of the proposal
- 3.3.1 The proposed warrant program has been prepared by the board's remuneration committee together with external advisors and after consultation with larger shareholders. The board of directors has thereafter resolved to submit this proposal to the general meeting. No employees that may be included in the program has taken part in the design of the terms and conditions.
- 3.4 Other share related incentive programs
- 3.4.1 Karnell already has four outstanding warrant programs established in 2020, 2021, 2022 and 2024 respectively. Aside from those, there are no outstanding share related incentive programs

in Karnell. Further information on Karnell's outstanding warrant programs can be found in note 5 on page 61-63 of the annual report for 2024.

Resolution on authorisation for the board to resolve to issue new shares of class B (item 15)

The board proposes that the Annual General Meeting resolves to authorise the board to, at one or several occasions for the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, resolve to issue new shares of class B. Further, the proposal means that issue may be made against cash payment, through set-off or in kind, or with other conditions. A cash or set-off issue made with deviation from the shareholders' preferential rights shall be made at a market-based subscription price. The total number of shares that may be issued under the authorisation shall be within the limits of the share capital according to the articles of association. The total number of shares that may be issued under the authorisation may not exceed 10 percent of the total number of outstanding shares in the Company at the time of the Annual General Meeting.

The purpose of the authorisation, and the reason for any deviation from the shareholders' preferential rights, is to be able to finance and/or implement the Company's acquisition strategy in a flexible and efficient manner.

SPECIAL MAJORITY REQUIREMENTS

For valid resolution under item 14, the proposal must be supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the meeting. For valid resolution under item 15, the proposal must be supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting.

AUTHORISATION

The CEO, or any person appointed by the CEO, shall be authorised to make such minor adjustments to the resolutions adopted by the general meeting that may be necessary upon registration of the resolutions with the Swedish Companies Registration Office or due to any other formal requirement.

DOCUMENTS

The nomination committee's motivated statement as well as information on the proposed board members are kept available on the Company's website, www.karnell.se. Accounting documents, the auditor's statement and other documents that shall be made available pursuant to the Swedish Companies Act and the Swedish Corporate Governance Code will be kept available at the Company and on the Company's website, www.karnell.se, from no later than 16 April 2025 and will be sent immediately and free of charge to the recipient of any shareholder who so request and provide their postal or e-mail address. The documents will also be available at the meeting.

NUMBER OF SHARES AND VOTES

As of the date of the issuance of this notice, the total number of shares in the Company amounts to 52,920,992 shares divided into 6,180,520 shares of class A, and 46,740,472 shares of class B. Each share of class A entitles to ten votes and each share of class B entitles to one vote, thus a total of 108,545,672 votes. At the time of issuance of this notice, the Company does not hold any of its own shares.

SHAREHOLDERS' RIGHT TO REQUEST INFORMATION

The board of directors 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, circumstances that may affect the assessment of

the Company's or its subsidiaries financial situation and the Company's relationship to another group company and the consolidated financial statements. Shareholders who wish to submit questions in advance can do so in writing to the Company by e-mail to info@karnell.se.

PROCESSING OF PERSONAL DATA

For information on how your personal data is processed, please see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Stockholm in April 2025

Karnell Group AB (publ)

The board of directors