

Notice to the Extraordinary General Meeting in Swedencare AB (publ)

The shareholders in Swedencare AB (publ) are hereby given notice of the Extraordinary General Meeting to be held on Tuesday 18 January 2022 at 13:00 at Swedencare's premises at Per Albin Hanssons väg 41 in Malmö.

Information with respect to the coronavirus

Due to the development of the coronavirus the goal is that the general meeting shall be swift and effective to minimize spread of disease. Shareholders should carefully consider the possibility to vote in advance (postal voting), please see below, as well as the possibility of participating by way of proxy. Shareholders who display symptoms of infection (dry cough, fever, respiratory distress, sore throat, headache, muscle and joint ache), have been in contact with people displaying symptoms, have visited a risk area, or belong to an at-risk group, are encouraged to utilize such possibility. The board of directors of the company has resolved on the following measures to minimize the risk of the spread of the coronavirus at the general meeting:

- Possibility to vote in advance.
- Registration for the general meeting will commence at 12:00 CET.
- External guests will not be invited.
- No food or refreshments will be served.
- No presentation will be held.

The company follows the development and the recommendations of the authorities and will, if necessary, update the information about the general meeting on the company's website, www.swedencare.se.

Right to attend and notification

Shareholders who wish to attend the general meeting must:

- on the record date, which is Monday 10 January 2022, be registered in the share register maintained by Euroclear Sweden AB; and
- notify the company of their participation and any assistants (no more than two) in the general meeting no later than Wednesday 12 January 2022. The notification shall be in writing to Computershare AB, Box 5267, 102 46 Stockholm (kindly mark the envelope "Swedencare extra general meeting"), or via e-mail to info@computershare.se. The notification should state the name, personal/corporate identity number, shareholding, address and telephone number and, when applicable, information about representatives, counsels and assistants. When applicable, complete authorization documents, such as registration certificates and powers of attorney for representatives and assistants, should be appended the notification.

Nominee shares

Shareholders, whose shares are registered in the name of a bank or other nominee, must temporarily register their shares in their own name with Euroclear Sweden AB in order to be entitled to participate in the general meeting. Such registration, which normally is processed in a few days, must be completed no later than on Monday 10 January 2022 and should therefore be requested from the nominee well before this date. Voting registration requested by a shareholder in such time that the registration has been made by the relevant nominee no later than on Wednesday 12 January 2022 will be considered in preparations of the share register.

Proxy etc.

Shareholders represented by proxy shall issue dated and signed power of attorney for the proxy. If the proxy is issued by a legal entity, attested copies of the certificate of registration or equivalent authorization documents, evidencing the authority to issue the proxy, shall be enclosed. The proxy must not be more than one year old, however, the proxy may be older if it is stated that it is valid for a longer term, maximum five years. A copy of the proxy in original and, where applicable, the certificate of registration, should in order to facilitate the entrance to the general meeting, be submitted to Computershare by mail at the address set forth above and at the Computershare's disposal no later than on 12 January 2022. The proxy in original and, when applicable, the certificate of registration must be presented at the general meeting. Certificate of proxies are also accepted. A proxy form will be available on the Company's website, www.swedencare.se, and will also be sent to shareholders who so request and inform the company of their postal address.

Advance voting

The board of directors has, in accordance with the articles of association of the company, resolved that the shareholders may exercise their voting rights at the general meeting by voting in advance, so called postal voting. The company encourages the shareholders to use this opportunity in order to minimize the number of participants attending the general meeting in person and thus reduce the spread of the infection.

A special form shall be used for advance voting. The form is available on www.swedencare.se. A shareholder who is exercising its voting right through advance voting does not need to notify Computershare of its attendance to the general meeting. The advance voting form is considered as the notification of attendance to the general meeting.

The completed voting form must be at Computershare's disposal no later than on Wednesday 12 January 2022. The completed and signed form shall be sent to the address stated under "Right to attend and notification" above. A completed form may also be submitted electronically and is to be sent to info@computershare.se. Shareholders who are natural persons may also cast their votes electronically through verification with BankID via the company's website www.swedencare.se. Such electronic votes must be submitted no later than 12 January 2022. If the shareholder is a legal entity, a certificate of registration or a corresponding document shall be enclosed to the form. The same apply for shareholders voting in advance by proxy. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid.

Further instructions and conditions are included in the form for advance voting.

Proposed Agenda

1. Election of Chairman of the general meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons who shall approve the minutes of the meeting
5. Consideration of whether the meeting has been duly convened
6. The Board of Directors' proposal regarding Long Term Incentive Program 2022
7. The Board of Directors' proposal to authorise the Board of Directors to issue new shares

Item 1: Election of Chairman of the general meeting

It is proposed that the company's chief executive officer, Håkan Lagerberg, or the person appointed by the Board of Directors if he has an impediment to attend, is elected Chairman and keeper of the minutes of the Extraordinary General Meeting.

Item 2: Preparation and approval of the voting list

The voting list proposed for approval is the voting list drawn up by the Chairman at the Extraordinary General Meeting on behalf of the company, based on the general meeting's share register, shareholders present who have notified the company of their attendance and advance votes received, as verified and recommended by the person approving the minutes.

Item 3: Approval of the agenda

The Board of Directors proposes that the agenda, which is included in this notice to the Extraordinary General Meeting, be approved as the agenda at the Extraordinary General Meeting.

Item 4: Election of one or two persons who shall approve the minutes of the meeting

It is proposed that one person is appointed to approve the minutes. Jenny Graflind, or the person appointed by the Board of Directors if she has an impediment to attend, is proposed to be elected to approve the minutes of the Extraordinary General Meeting. The task of approving the minutes of the Extraordinary General Meeting also includes verifying the voting list and that the results of voting is correct stated in the minutes of the Extraordinary General Meeting.

Item 5: Consideration of whether the meeting has been duly convened

It is proposed that the general meeting approve the convening of the Extraordinary General Meeting.

Item 6: The Board of Directors' proposal regarding Long Term Incentive Program 2022

The Board of Directors proposes that the Extraordinary General Meeting passes a resolution on the implementation of a Long Term Incentive Program 2022 (LTIP 2022). This proposal is divided into three items:

- A. Terms of LTIP 2022
- B. Issue and approval of transfer of warrants
- C. Other matters related to LTIP 2022

A. Terms of LTIP 2022

A.1 Introduction

The Board wishes to establish a long-term incentive program for all employees in the Swedencare Group in order to encourage personal long-term ownership in the company as well as to increase and enhance its ability to recruit, retain and motivate employees in the Swedencare Group. The intension is also to use LTIP 2022 to unite the interest of the employees with the interest of the shareholders. The Board therefore proposes that the general meeting resolves to implement LTIP 2022 for employees in the Swedencare Group. The term of LTIP 2022 is more than three (3) years.

A.2 Basic features of LTIP 2022

The LTIP 2022 shall comprise a maximum of 771 230 employee stock options. The employee stock options within the framework of the LTIP 2022 may be granted to employees in the Swedencare Group. The participants are based in Sweden and other countries where the Swedencare Group is active. The employee stock options shall be granted to employees without consideration. Each employee stock option entitles the holder to acquire one (1) share in the company in accordance with the following conditions.

Each employee stock option entitles the holder, after the end of the Qualification Period (defined below) and provided continued employment (with certain exceptions), to acquire one (1) share in the company at an exercise price corresponding to 100 percent of the volume-weighted average price according to Nasdaq First North Growth Market's official price list for the share during the ten (10) trading days that fall immediately before 18 January 2022.

The holder's employee stock options will be subject to time-based vesting for three (3) years (the "**Qualification Period**"), after which all the holder's employee stock options shall be deemed vested and can thus be exercised for subscription of shares in the company. Employee stock options that have not been vested shall expire immediately (with certain exceptions) in connection with the termination of the participants employment in the Swedencare Group.

Customary recalculation of the exercise price as well as of the number of shares that each employee stock option corresponds to may occur if the share capital or the number of shares in the company changes due to bonus issue, split or reverse split, redemption of shares, certain new issues and other similar corporate events, and if certain other measures are taken.

Other terms for the employee stock options are set out in the 2022 Equity Plan.

A.3 Participation in LTIP 2022

LTIP 2022 is directed towards a maximum of 299 employees, divided in three categories of participants. The allocation to the categories has been based on the participants' position, seniority and work performance.

| Category | Maximum number of employee stock options per person |
|--------------------------|---|
| A) (maximum 18 persons) | 14 170 |
| B) (maximum 55 persons) | 3 550 |
| C) (maximum 226 persons) | 1 420 |

Any resolution on participation or implementation of LTIP 2022 shall be conditional on that it, in the Board's judgement, can be offered with reasonable administrative costs and financial effects.

A.4 Implementation and administration etcetera

The Board shall in accordance with the resolutions by the general meeting set forth herein be responsible for the detailed design and implementation of LTIP 2022. The Board may also decide on the implementation of an alternative cash based incentive for participants in countries where the allotment of employee stock options is not appropriate, as well as if otherwise considered appropriate. Such alternative incentive shall to the extent practically possible be designed to correspond to the terms of LTIP 2022.

The intention is that the Board shall launch LTIP 2022 as soon as practically possible after the Extraordinary General Meeting.

B. Issue and approval of transfer of warrants

B1. Issue of warrants

The Board of Directors proposes that the general meeting resolves to carry out a private placement in respect of not more than 771 230 warrants of series 2022:1, entailing an increase in the share capital of not more than SEK 7 712.30 if the private placement is fully taken up. The resolution shall otherwise be governed by the following terms and conditions.

The right to subscribe for the warrants, with derogation from the shareholders' pre-emption rights, shall vest in the company, with right and obligation to transfer the warrants to the participants in LTIP 2022 or otherwise to third parties in accordance with below. No oversubscription is allowed.

The reason for derogation from the shareholders' pre-emption rights is to ensure delivery of shares to the participants in LTIP 2022.

The warrants shall be issued at no consideration.

Subscription for the warrants shall take place on the same day as the date of the resolution to issue warrants. The Board of Directors shall be entitled to extend the subscription period.

Each warrant entitles the holder to subscribe for one (1) new share in the company. The subscription price per share shall correspond to the quota value of the share, i.e. 0.01 SEK per share. The warrants may be exercised to subscription for new shares during the period commencing on 1 January 2025, up to and including 30 June 2025.

The shares subscribed for based on the warrants shall carry a right to participate in dividends for the first time on the next record date for dividends, which occurs after subscription is completed.

Other terms and conditions for the warrants according to the complete terms and conditions for series 2022:1.

B2. Approval of transfer of warrants

The Board of Directors further proposes that the general meeting resolves to approve that the company, on one or more occasions, may transfer the warrants to participants in LTIP 2022, or otherwise to a third party, in order to deliver shares to the participants in accordance with the terms of LTIP 2022.

C. Other matters in relation to LTIP 2022

C.1 Costs

The costs for the employee stock options, which are charged in the profit and loss account, are calculated according to the accounting standard IFRS 2 and distributed on a linear basis over the vesting period. The calculation has been made based on the following assumptions: (i) a market price of the company's common share of SEK 149.60, (ii) no dividend is paid by the company during the term of the program, (iii) an assessment of future volatility in respect of the company's common share, and (iv) full vesting of the employee stock options. In total, this can lead to maximum costs for LTIP 2022 of approximately SEK 27.22 million, excluding social security costs. The costs for social security charges are calculated to approximately SEK 3.80 million assuming an annual share price increase of 10% during the vesting period.

C.2 Effect on important key ratios

Given the above assumptions regarding costs, and that LTIP 2022 was introduced in 2020 instead, it is estimated that the key figure earnings per share for full year 2020 would have decreased from SEK 0.41 to approximately SEK 0.32, based on the current number of shares outstanding.

C.3 Dilution of existing shares and votes

Based on the number of shares and votes outstanding in the company, the LTIP 2022 implies, upon exercise of all 771 230 employee stock options, a full dilution corresponding to approximately 0.65 percent of the total number of shares and votes outstanding in the company, however, subject to the recalculation of the number of shares that each employee stock option entitles to subscribe for that may occur as a result of certain issues etc.

C.4 Calculation of the market value

The independent valuation institute, PricewaterhouseCoopers, makes a calculation of the value of the employee stock options applying the Black & Scholes valuation model. With an assumed value of the company's ordinary shares at SEK 149.60 at the time of allotment, the market value of one employee stock option has been calculated to SEK 35.30.

C.5 Other share-related incentive programmes

The company has no other share-related incentive programs.

C.6 Authorizations for the Board of Directors

The general meeting authorizes the Board of Directors to execute the resolutions above. In addition, the Board of Directors, or a person appointed by the Board of Directors, shall be authorized to make minor adjustments to the resolutions above that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB, respectively.

C.7 The background and rationale for the proposal

The Board of Directors wishes to implement a long-term incentive program for all employees in the Swedencare Group in order to encourage personal long-term ownership in the company as well as to increase and enhance its ability to recruit, retain and motivate employees in the Swedencare Group.

C.8 Preparation of the proposal

The basis for the LTIP 2022 has been prepared by the Board of Directors of the company. The work has been supported by external advisors and has been made in consultation with shareholders. The Board of Directors has thereafter decided to present this proposal for the general meeting. Except for the staff that have prepared the matter upon instruction from the Board of Directors, no employee that may be a Participant of the program has participated in the preparations of the program's terms.

C.9 Majority requirements

The general meeting's resolution in accordance with items A - B shall be seen as one resolution and is thereby conditional upon each other. The resolution by the general meeting regarding the implementation of the LTIP 2022 in accordance with the above requires that shareholders representing not less than nine-tenths of the votes cast as well as the shares represented at the general meeting approve the resolution.

Item 7: The board of directors' proposal to authorise the board of directors to issue new shares

The Board of Directors hereby proposes that the meeting of shareholders resolves to authorise the Board of Directors for the period up to the next annual meeting of shareholders to resolve, whether on one or several occasions, to increase the company's share capital with not more than SEK 400 000 by an issue of not more than 40 000 000 new shares. The Board of Directors shall be authorised to adopt decisions on an issue of shares with deviation from the shareholders' pre-emption rights and /or an issue in kind or an issue by way of set-off or otherwise on such terms and conditions as referred to in Chapter 2, Section 5, second paragraph, points 1-3 and 5, of the Swedish Companies Act.

An issue in accordance with this authorization shall be on market conditions, and where applicable be subject to issue discount at market rate. The Board of Directors shall be authorised to decide on the terms and conditions regarding issues under this authorisation and what persons shall be entitled to subscribe for the shares. The reason to propose that the Board of Directors shall be authorised to resolve on an issue with deviation from the shareholders' pre-emption rights and that the board shall be authorised to decide on an issue in kind or an issue by way of set-off or otherwise on such terms and conditions as referred to above is that the company shall be able to issue shares in order to enable financing of the business and/or acquisition of all or parts of companies, businesses and/or product and trademark rights.

If the Shares are subscribed with a premium, the share premium shall be transferred to the unrestricted premium reserve.

It is proposed that the Managing Director is authorised to make such minor adjustments to this resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office.

A resolution in accordance with the proposal of the Board of Directors is valid only if supported by shareholders holding at least two-thirds of both the votes cast and the shares represented at the meeting.

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Documents etcetera

Complete documents will, by 4 January 2022, be available at www.swedencare.se. The documents are also sent to shareholders who request it and state their postal address. Otherwise, complete proposals appear under each item in the notice. Proxy form, postal voting form, the Board's report in accordance with chapter 14, section 8 of the Swedish Companies Act and an opinion on the report by the company's auditor as well as the financial statement and the auditor's report are also available at the company's premises and on the company's website, www.swedencare.se, no later than 4 January 2022. Copies of these documents will be sent to shareholders who request it and state their postal address.

The shareholders are hereby notified regarding the right to, at the general meeting, request information from the board of directors and managing director according to Ch. 7 § 32 of the Swedish Companies Act.

The total number of shares and votes in Swedencare AB (publ) amounts to 118 150 028. The company does not hold any of these shares.

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

Malmö in December 2021
Swedencare AB (publ)

The Board of Directors

N.B. This English version of the EGM notice is an unofficial translation. In case of any discrepancies in relation to the Swedish version of the notice, the Swedish version shall prevail.

For more information, please contact:

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Please visit the Company homepage www.swedencare.com

About Swedencare

Swedencare, a listed company on NASDAQ First North Growth Market, specializes in pet healthcare and produces, markets and sells premium products in the global and fast-growing market. The company has a wide range of strong brands and products within most therapy areas, including Animal Pharmaceuticals®, nutravet®, NutriScience, Pet MD®, Stratford®, VetWELL® as well as ProDen PlaqueOff® for oral health to dogs and cats. Swedencare's headquarter is in Malmö, Sweden with subsidiaries located in eight countries with products sold in approximately fifty markets. Swedencare's sales have increased significantly over the last few years with strong margins and profits.

This information is information that Swedencare is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-12-29 08:30 CET.

Attachments

[Notice to the Extraordinary General Meeting in Swedencare AB \(publ\)](#)