

PRESS RELEASE

28 March 2022 15:50:00 CEST

NOTICE TO ATTEND LMK GROUP AB (PUBL)'S ANNUAL GENERAL MEETING

The shareholders of LMK Group AB (publ), reg. no. 559021-1263 ("LMK Group" or the "Company"), are hereby given notice to attend the annual general meeting to be held on **Wednesday, 27 April 2022 at 15.00 pm** at Scandic Grand Central's premises at **Kungsgatan 70, 111 20 Stockholm, Sweden**. The convention hall opens for registration to the annual general meeting at **14.15 pm**.

Participation

Shareholders are entitled to participate in the annual general meeting if they:

are entered in the share register maintained by Euroclear Sweden AB on Tuesday, 19 April 2022;

and have notified the Company at the latest on Thursday 21 April 2022 in one of the following ways:

- by email to ir@lmkgroup.se; or
- in writing to address: LMK Group AB (publ), Att. Erik Bergman, Stormbyvägen 2, 163 55 Spånga, Sweden.

The notification must include the shareholder's name, personal ID number or company registration number, address, telephone number, and any potential assistants. Shareholders represented by proxy should submit proxy forms well in advance of the meeting.

The personal data obtained from the share register maintained by Euroclear Sweden AB, the notification of participation at the annual general meeting and the information regarding proxies and assistants will be used for registration, preparation of the voting register for the annual general meeting and, where applicable, minutes from the annual general meeting. The personal data will only be used for the annual general meeting 2022. For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Nominee registered shares

In order to be entitled to participate at the annual general meeting, shareholders whose shares are registered in the name of a nominee through a bank or other nominee must re-register their shares in their own names. Such voting registration, which may be temporary, must be duly effectuated no later than four banking days before the general meeting, i.e. on Thursday 21 April 2022 to be considered in preparations of the share register. Shareholders should inform their nominees well in advance of this date.

Proxies, etc.

Shareholders represented by proxy shall issue a written and dated power of attorney for the proxy holder or, if the right to represent the shareholder's shares is divided between different persons, the proxy holders stating the number of shares represented by each proxy holder. The power of attorney is valid for a maximum of one year after being signed, or during the longer valid time stated in the power of attorney, thus for a maximum of five years. If the power of attorney is issued by a legal person, an authorised copy of the registration certificate or similar should be attached, proving the authority of the issuer of the power of attorney to sign on behalf of the legal person. A copy of the power of attorney and a certificate of registration, if applicable, should in ample time before the meeting be sent to the Company by post or by email on the addresses stated above. A template power of attorney is available at the Company's website, www.lmkgroup.se and will, free of charge, be sent to the shareholders who request the Company to do so and state their postal address.

Shareholders' right to request information

The board of directors and the CEO shall, upon request by any shareholder and where the board of directors deems it possible without causing significant harm to the Company, provide information in respect of any circumstances which may affect the assessment of a matter on the agenda and any circumstances which may affect the assessment of the Company's or a subsidiary's financial position, or of the Company's relationship to other group companies.

Proposed agenda

1. Opening of the meeting.
2. Election of the chairman of the meeting.
3. Preparation and approval of the voting register.
4. Approval of the agenda.
5. Election of one or two persons to verify the minutes.
6. Determination of whether the meeting has been duly convened.
7. Presentation of the annual report and auditor's report, as well as the consolidated financial statements and the auditor's report on the consolidated statements.
8. Resolution regarding adoption of the income statement and balance sheet, as well as the consolidated income statement and the consolidated balance sheet.
9. Resolution regarding allocation of the Company's profits in accordance with the approved balance sheet.
10. Resolution regarding discharge from liability the board members and the CEO.
11. Determination of fees to be paid to the board members and to auditors.
12. Election of board members and auditors.
13. Resolution regarding the adoption of a long-term warrant program for senior executives and key employees.
14. Resolution regarding the adoption of a new long-term incentive program for senior executives and key employees based on performance shares.
 - A) Adoption of a new long-term incentive program based on performance shares.
 - B) The issue of warrants to enable delivery of shares in the incentive program.
 - C) The approval of transfer of warrants to participants in the incentive program.
 - D) Entering into a share-swap agreement with a third party.
15. Closing of the annual general meeting.

Item 2 – Election of chair of the general meeting.

The nomination committee proposes the election of the chairman of the board of directors Mathias Hedlund as chairman of the annual general meeting.

Item 9 – Resolution to allocate the Company's profit in accordance with the approved balance sheet.

The board of directors proposes that of unappropriated earnings of SEK 792,820,536, a dividend of SEK 1,75 per share shall be paid, corresponding to a total amount of SEK 22,187,536. The record date of the dividend is proposed to be the 29 April 2022 and the day of payment 4 May 2022.

Item 11 – Determination of fees for the board members and auditors.

The nomination committee proposes the following fees to the board members and auditors:

- A. A fee to each of the board members by SEK 200,000 and a fee to the chairman of the board by SEK 500,000.
- A. A fee to the auditor shall be in accordance with approved invoices.

Item 12 – Election of board members and auditors.

The nomination committee proposes the following:

- A. The number of ordinary board members shall be five (5).
- B. The number of auditors shall be one (1).
- C. Re-election of board members for the time until the next annual general meeting:
 - a) Mathias Hedlund (board member since 2021);
 - b) Gert Munthe (board member since 2018);
 - c) Charlotte Gogstad (board member since 2021); and
 - d) Therese Reuterswärd (board member since 2021).

Fredrik Kongsli has declined re-election.

- D. New election of board member for the time until the next annual general meeting:
 - a. Johan Kleberg.

Johan Kleberg is born in 1975 and has a MSc in Business and Economics from the Stockholm School of Economics. He has a longstanding and broad experience from media and e-commerce. Previous experience includes C More, where he was CEO, and Adlibris, where he was CEO. Johan holds no shares in the Company.

- E. Re-election of the chairman of the board for the time until the next annual general meeting:
 - a) Mathias Hedlund.
- F. Re-election of the registered auditing firm for the time until the next annual general meeting, in accordance with the nominations committee:
 - a. KPMG AB.

Item 13 – Resolution regarding the adoption of a long-term warrant program for senior executives and key employees.

The board of directors proposes that the annual general meeting resolves on the adoption of a long-term warrant program for senior executives and key employees ("**Warrant Program 2022 /2025**"), in accordance with the below.

Background and rationale

The board of directors considers it to be in the interest of the Company and the shareholders that certain members of the senior executives of the Company are made part of the Company's development by being offered warrants in a new incentive program. The reasons for the proposal are to contribute to the possibilities to retain and attract qualified personnel and to increase motivation for the senior executives and key employees in LMK Group by being involved in, and working for, a positive value increase of the Company's shares during the period covered by the Warrant Program 2022/2025. The board of directors considers that the implementation of an incentive program as described below will have a positive impact on the continued development of the LMK Group and is thus advantageous for both the shareholders and the Company.

The board of directors' proposal for implementation of the Warrant Program 2022 /2025 and issue of warrants

The board of directors proposes that the annual general meeting of the Company resolves to issue warrants and implement the Warrant Program 2022/2025 mainly in accordance with the following terms.

The board of directors proposes that the annual general meeting resolves on the issue of 215,000 warrants of series 2022/2025. The right to subscribe the warrants shall, with deviation from the shareholders' pre-emption right, be granted to senior executives and key employees in accordance with the distribution below:

Category	Number of employee(s)	Maximum amount of warrants available to each employee
CEO	1	50,000
Senior executives and key employees, level 1	5	25,000
Senior executives and key employees, level 2	1	15,000
Senior executives and key employees, level 3	2	12,500
Total	9	215,000

Each warrant of series 2022/2025 entitles to subscription for one (1) share in LMK Group during the period from 1 June 2025 up to and including 31 August 2025. Subscription for new shares by way of exercising warrants of series 2022/2025 shall be made at a price per share corresponding to 130 per cent of the volume-weighted average trading price of LMK Group's share on Nasdaq First

North Premier Growth Market during the period from 28 April 2022 up to and including 6 May 2022 (whereby the calculated exercise price shall be rounded to the nearest even hundredth of a krona, whereupon 0.005 krona will be rounded up). The subscription price may not be less than the quota value of the shares.

If the warrants of series 2022/2025 are exercised in full, the share capital will increase by SEK 19,842.688842. The subscription and payment of warrants shall be made no later than on 27 May 2022. However, the board of directors shall be entitled to extend the subscription and payment period. There can be no over-subscription.

The warrants of series 2022/2025 shall be issued at a subscription price corresponding to the market value, calculated in accordance with the Black & Scholes valuation formula by, in relation to the Company, an independent valuation firm appointed by the Company, PwC Sweden, immediately after the expiration of the measurement period on 6 May 2022. An example calculation according to the Black & Scholes formula based on an, from the time of the board of directors' proposal, unchanged share price of SEK 30 result in a value of SEK 4.5 per warrant, whereby the following variables have been used in the Black & Scholes calculation:

Exercise price: SEK 39 (130% of the share price of SEK 30)

Risk-free interest: 0.17%

Volatility: 35%

Duration (years): 3

Dividend yield: 0%

Illiquidity discount: 0%

The calculation serves as only an example and the warrant value according to the final calculation that will be carried out by PwC Sweden immediately after the expiration of the measurement period on 6 May 2022 may deviate from the above.

The warrants shall be governed by separate agreements between each participant and the Company. In the agreement, the participant undertakes to only exercise held warrants during the period from 1 June 2025 up to and including 31 August 2025, whereby the board of directors may, in individual cases, extend the exercise period up to and including 1 October 2025 if the participant, due to applicable rules, cannot exercise the warrants during the initial exercise period. In the agreement, the Company also reserves the right to, under certain conditions, purchase the warrants from the participant if the participant's employment or assignment within the Company is terminated or if the participant wishes to transfer the warrants. Such purchase shall be made at the lower of the cost of acquisition of the warrants or the market value of the warrants. With the exception of purchases in connection with dismissal from employment (*Sw. avskedande*) or termination due to personal reasons (*Sw. uppsägning av personliga skäl*), the right of the Company to purchase the warrants expires on 31 May 2025.

The board of directors shall be responsible for the preparation and management of the Warrant Program 2022/2025 within the above-mentioned substantial terms.

Dilution effect and costs, etc.

The board of directors' proposal to resolve on issuance of warrants entails a dilution effect corresponding to a maximum of approximately 1.7 per cent of the shares and votes in the Company if the proposed warrants are exercised in full. The dilution effect is calculated as the relation between the additional shares that the warrants will be exercised for and the sum of the current number of shares and the additional shares that the warrants will be exercised for. The Warrant Program 2022/2025 is expected to have only marginal effects on the Company's key ratios.

The board of directors' assessment is that the Warrant Program 2022/2025 will trigger costs mainly related to administration. The board of directors' assessment is that the Warrant Program 2022/2025 will not trigger any costs related to social security for persons with Sweden as their tax domicile. The total costs for administration are estimated to amount to approximately SEK 6,402,500. The board of directors considers the positive effects expected to result from the Warrant Program 2022/2025 to outweigh the costs attributable to the program.

Preparation of the proposal

The Warrant Program 2022/2025 has been designed by the Company's board of directors, together with external advisors, based on an evaluation of previous incentive programs and current market practice. The program has been prepared and has been reviewed at board meetings in the beginning of 2022. The proposal is supported by the Company's largest shareholder.

Item 14 – Resolution regarding adoption of a new long-term incentive program for senior executives and key employees based on performance shares

A. Adoption of a new long-term incentive program based on performance shares

The board of directors proposes that the annual general meeting resolves to adopt a new long-term incentive program to senior executives and key employees in the LMK Group ("Performance Share Program 2022"), in accordance with the terms and conditions set out below.

Performance Share Program 2022 is a four-year performance-based program. Under the program, the participants will be granted, free of charge, performance-based share awards ("Share Awards") that entitles to a total maximum of 159,250 shares in LMK Group ("Performance Shares"), in accordance with the terms stipulated below. It is proposed that the Share Awards is allocated to the Company's senior executives and key employees in accordance with the following:

Category	Number of employee (s)	Maximum amount of Share Awards that may be delivered to each employee
CEO	1	35,000
Senior executives and key employees, level 1	5	17,500
Senior executives and key employees, level 2	7	5,250
Total	13	159,250

Background and rationale

The rationale for Performance Share Program 2022 is to create opportunities to attract, motivate and retain competent employees in the LMK Group as well as to align the targets of the employees with those of the Company. The Performance Share Program 2022 has been established on the basis that it is deemed desirable for senior executives and key employees of LMK Group to have a personal long-term interest in LMK Group's development. Senior executives

will participate in the Company's long-term performance share program from 2022. The board of directors considers that the implementation of an incentive program as described below will have a positive impact on the continued development of the LMK Group and is thus in favour of both the Company and the shareholders in the Company.

Conditions for Share Awards, vesting, etc.

The Share Awards shall be granted free of charge to the participants as soon as possible following the publication of the Company's first interim report for 2022 and no later than on 30 May 2022. Each Share Award entitles the holder to receive one (1) share in the Company, free of charge (except for any appropriate taxes), approximately four years after the allotment of the Share Award, provided that the holder, with some exceptions, is still employed by the LMK Group and the following conditions are met.

The Performance Shares will be vested over a three-year period in accordance with the following:

- 1/3 of the total number of Performance Shares will be vested on 1 March 2024;
- 1/3 of the total number of Performance Shares will be vested on 1 March 2025; and
- 1/3 of the total number of Performance Shares will be vested on 1 March 2026.

The participants will, when applicable, be entitled to Performance Shares no later than during the period from 1 April 2026 up to and including 1 May 2026 ("**Ordinary Allotment**").

If a participant ceases to be employed or terminates the employment at the Company before one of the latter two vesting dates, the already vested Performance Shares can be exercised on a earlier date than the date of Ordinary Allotment, but further vesting will not take place. Such earlier date shall be determined by the board of directors and may not be earlier than three years after the allocation of the Share Award. If the employee's employment expires due to termination by the Company for any other reason than scarcity of work (*Sw. arbetsbrist*) or termination by the Company without a valid reason (*Sw. utan saklig grund*), Performance Shares already vested will also expire. The Share Awards are non-transferable and may not pledged.

Performance conditions

A prerequisite for entitlement to receive shares based on Share Awards, in addition to the condition that the holder remains employed by the LMK Group at the end of the vesting period is that the performance conditions for Performance Share Program 2022 have been satisfied in accordance with what is stated below.

The performance conditions are based on the net revenue for the financial years of 2022 and 2023 as well as average adjusted EBIT targets for the financial year of 2022 and 2023, as determined by the board of directors (the "**Performance Conditions**").

By net revenue the following is meant: reported net revenue.

Average adjusted EBIT shall mean the following: Operating profit before tax and net financial results adjusted for "Comparability-affecting items", which the Company reports in quarterly reports. Comparability-affecting items are revenue and expense items specified separately as a result of its nature and amount.

The allotment of shares that each participant later may receive depends on achievement of the established Performance Conditions, in relation to a range determined by the board of directors. The outcome will be measured linearly and should the minimum level of the range not be reached, no Performance Shares will be allotted. The board of directors will present target outcome in the Annual Report for 2023.

Preparation and administration

The board of directors shall be responsible for preparing the detailed terms and conditions of Performance Share Program 2022, in accordance with the herein established terms and guidelines. In relation hereto, the board of directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The board of directors may also make other adjustments if significant changes occur in the LMK Group or its operating environment, which would result in a situation where the decided terms and conditions for Performance Share program 2022 no longer are appropriate.

Prior to finally determining the allotment of shares based on Share Awards, the board of directors shall assess whether the outcome of Performance Share program 2022 is reasonable. This assessment will be conducted in relation to the Company's financial results and position, operational performance, market position as well as conditions in the stock market and other circumstances. Should the board of directors not consider the outcome reasonable, the number of shares to be allotted will be reduced.

Dilution effect and costs etc.

The board of directors' proposal to resolve on issuance of warrants, according to item 14 B below, entails a dilution effect corresponding to a maximum of approximately 1,3 per cent of the shares and votes in the Company, if the proposed warrants, for delivery of the Performance Shares, are exercised in full. The Performance Share Program 2022 is expected to have only marginal effects on the Company's key ratios.

The board of directors' assessment is that the Performance Share Program 2022 will trigger costs mainly related to administration, costs related to accounting and social fees. The total costs for administration are estimated to amount to approximately SEK 100,000.

The Share Awards do not have a market value since they are not transferable. However, the board of directors have calculated a theoretical value of the Share Awards in accordance with the Black & Scholes valuation formula. Based on an, from the time of the board of directors' proposal, unchanged share price of SEK 30, an assumed volatility of 35 per cent, risk free interest of 0.17 per cent, dividend yield of 0 per cent and illiquidity discount of 0 per cent, the value of the Share Awards in the Performance Share program 2022 is according to this formula approximately SEK 8.1 per Share Award. The transfer restrictions have not been taken into consideration in this valuation. Assuming that 100 per cent of the Performance Shares in the Performance Share Program 2022 will be vested, the accounting costs for the options are calculated to amount to approximately SEK 4,777,500 during the period 2022–2026, based on the Share Award actual value at the start of the program.

The total costs for social security fees during the vesting period will depend on the number of Performance Shares that will be vested and the value of the benefit that the participant will receive. When assuming that 100 per cent of the Performance Shares will be vested and with an assumed exercise price of SEK 30 when the Performance Shares are received, the total social fees amounts to approximately SEK 1,200,000. The costs for social fees will be accounted for, during the Performance Shares vesting period, based on the value changes of the Share Awards.

If the event a share-swap agreement is entered to enable the delivery of shares according to Share Performance Program 2022 (see 14 D below) no dilution effect would be entailed. The additional cost associated with the delivery of shares through the use of a swap-agreement instead of an issue and transfer of warrants is expected to amount to a maximum of approximately SEK 100,000.

All of the above calculations are preliminary and aim only to present an example of the costs that the Performance Share Program 2022 may incur. Actual costs may therefore deviate from the above calculations. The board of directors considers the positive effects expected to result from the Performance Share Program 2022 to outweigh the costs attributable to the program.

Previous incentive programs in LMK Group

The Company currently has two ongoing warrant programs, one for senior executives and other key employees and one for external board members. These previously approved incentive programs are, together with the Performance Share Program 2022 and Warrant Program 2022 /2025 (item 13) entail a dilution of approximately 5.2 per cent of the total number of outstanding shares if all outstanding and proposed warrants are exercised in full. The costs of the incentive programs, including possible social fees, are expected to amount to approximately SEK 1,525,000 in total. For a more detailed description of the Company's other share related incentive programs, reference is made to the annual report for the financial year 2021.

Preparation of the proposal

Performance Share Program 2022 has been designed by the Company's board of directors, together with external advisors, based on an evaluation of previous incentive programs and current market practice. The program has been prepared and has been reviewed at board meetings in the beginning of 2022. The proposal is supported by the Company's largest shareholder.

A. The issue of warrants to enable delivery of shares in the incentive programs

In order to enable the Company's delivery of shares under the Performance Share Program 2022, the board of directors proposes that the annual general meeting resolves on the issue of not more than 159,250 warrants of series 2022/2026, free of charge, and with deviation from the shareholders' pre-emption right, to a wholly-owned subsidiary of LMK Group (the "**Subsidiary**"), mainly in accordance with the following terms. Each warrant of series 2022/2026 entitles the holder to subscription for one (1) share in LMK Group during the period from the date of registration of the issuance of warrants with the Swedish Companies Registration Office up to and including 31 December 2026. Subscription for new shares by way of exercising warrants of series 2022/2026 shall be made at an exercise price of SEK 0.092292 per share, corresponding the quota value of the share. The subscription price may not be less than the quota value of the shares. Subscription of warrants of series 2022/2026 shall be made no later than on 31 May 2022. However, the board of directors shall be entitled to extend the subscription period. There can be no oversubscription. The share capital will increase by SEK 14,697.433479 if the warrants of series 2022/2026 is exercised in full.

A. The board of directors' proposal for approval of transfer of shares and/or warrants

The board of directors proposes that the annual general meeting resolves to approve that the Subsidiary may transfer warrants of series 2022/2026 to the participants in the Performance Share Program 2022 in accordance with the terms set out in item 14 A above.

A. Entering into a share-swap agreement with a third party

The board of directors proposes that that the annual general meeting resolves to approve the delivery of shares to participants in the Performance Share Program 2022 by entering into share-swap agreement with a third party. The board of directors will only use this option if the proposal in 14 C above is not approved or otherwise not possible to execute.

Other information

Shares and voting rights

The Company's shares amount to 12,678,592 shares, corresponding to 12,678,592 votes.

Majority rules

A resolution in accordance with the board of directors' proposals pursuant to item 13 and 14 B on the agenda will only be validly adopted if shareholders holding no less than nine tenths (9/10) of both the votes cast and the shares represented at the meeting vote in favour of the resolution.

Further information

The nomination committee's complete proposals and thereto attached statements are available at the Company's office and on the Company's website, www.lmkgroup.se, and will be sent free of charge to the shareholders that so requests and state their postal address. Accounting documents and the auditor's report, as well as the board of directors' complete proposals will be made available at the Company and on the Company's website no later than on 13 April 2022, and will, as a consequence, be sent free of charge to shareholders that so requests and state their postal address.

Stockholm, March 2022
LMK Group AB (publ)
The board of directors

For further information, please contact:

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About LMK Group

LMK Group was founded in 2008 with the vision of simplifying everyday life by offering a large variety of inspiring meals delivered directly to the customer's front door. Today, the group is the largest supplier of meal kits in the Nordic region and a leader in Scandinavian foodtech. The group operates in Sweden, Norway and Denmark under the brands Linas Matkasse, Godtlevart, Adams Matkasse and RetNemt. In 2020, LMK Group generated SEK 1.2 billion in revenues and delivered approximately 1.74 million meal kits to households in the markets in which the group operates. LMK Group is listed on Nasdaq First North Premier Growth Market. Certified Adviser is FNCA Sweden AB, info@fnca.se, +46 (0) 8528 00 399.

This information is information that LMK Group AB 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 2022-03-28 15:50 CEST.

Attachments

**NOTICE TO ATTEND LMK GROUP AB (PUBL)'S ANNUAL GENERAL MEETING
LMKG Proxy Form**