

Notice to attend Annual General Meeting in Kollect on Demand Holding AB (publ)

The shareholders of Kollect on Demand Holding AB (publ), reg. no 559216-5160 (the "Company") are hereby summoned to the Annual General Meeting (the "Meeting") on 20 June 2023 at 10:00 a.m. CEST in Eversheds Sutherland's offices at Sveavägen 20 in Stockholm, Sweden. Registration starts at 09:30 am CEST.

Participation

Shareholders wishing to attend the Meeting shall:

- be entered in the share register maintained by Euroclear Sweden AB on 12 June 2023, and
- notify the Company of their intention to attend the Meeting not later than on 14 June 2023. Notice to attend the Meeting is to be made by email to IR@kollect.ie or by mail to Kollect on Demand Holding AB (publ) "**AGM 2023**", c/o Eversheds Sutherland Advokatbyrå, Box 14055, SE-104 40 Stockholm, Sweden.

When giving notice of attendance, shareholders shall state name, personal identification number /corporate registration number, address, phone number, number of shares and, where relevant, information on accompanying advisors (not more than two). The notice of attendance shall also include, where relevant, e.g., in respect of legal entities, complete documents of authority such as certificates of registration or similar.

Nominee-registered shares

Shareholders whose shares are registered in the name of a bank, or another nominee must temporarily register their shares for voting in their own name to be entitled to attend the Meeting. The nominee must have completed the registration with Euroclear Sweden AB no later than on 14 June 2023 and the nominees should therefore be instructed well in advance thereof.

Proxies, etc.

Shareholders represented by proxy must authorize such proxy by issuing a dated power of attorney. The power of attorney may be valid for up to five years if that is specifically set forth therein. If no period of validity is set out, the power of attorney is valid for a maximum of one year. If the power of attorney is issued by a legal entity, a certified copy of the certificate of registration, or equivalent, must be enclosed. The power of attorney in original and any certificate of registration should be sent by mail to the Company at the above address well in advance of the Meeting. A template proxy form is available on the Company's website www.kollect.ie.

Postal voting

The Board of Directors has decided that shareholders shall be able to exercise their voting rights at the Meeting also through postal voting in accordance with the provisions as set out in the Company's articles of association.

Personal data obtained from notifications, proxies, postal voting forms and the share register kept by Euroclear will solely be used for the necessary registration and preparation of the voting list for the Meeting. For information on the treatment of personal data please see Euroclear's privacy notice available at <https://www.euroclear.com/sweden/en/regelverk-Euroclear-Sweden/GDPR.html>.

Number of shares

At date of this notice, the Company's share capital amounts to SEK 2,382,855.50, represented by 9,531,422 shares. Each share carries one vote.

Proposed agenda

The Board of Directors' proposed agenda for the Meeting:

1. Opening of the Meeting
2. Appointment of chairperson of the Meeting
3. Preparation and approval of the register of voters
4. Approval of the agenda
5. Appointment of one or two persons to verify the minutes of the Meeting
6. Determination of whether the Meeting has been duly convened
7. Presentation of the annual accounts and the auditor's report on the annual accounts and the consolidated accounts and the auditor's report on consolidated accounts and, in connection therewith, the Managing Director's statement
8. Resolutions regarding:
 - a) approval of the profit and loss account and the balance sheet and the consolidated profit and loss account and the consolidated balance sheet;
 - b) allocation of the Company's profit or loss in accordance with the adopted balance sheet; and
 - c) discharge of liability for the members of the Board of Directors and the Managing Director
9. Determination of fees for the Board of Directors and auditors
10. Election of Board of Directors and auditor
11. Resolution on implementation of (A) an incentive program by way of a (B) directed issue of warrants and (C) approval of transfer of warrants
12. Resolution on authorization for the Board of Directors to resolve on issues of shares, warrants and convertibles
13. Resolution to authorize the Board of Directors to undertake minor adjustments of the resolutions
14. Closing of the Meeting

Appointment of Chairperson of the Meeting (item 2)

The Board of Directors proposes that Johan Engström (Eversheds Sutherland) is appointed as the chairperson of the Meeting.

Preparation and approval of the register of voters (item 3)

The Board of Directors proposes that the voting register including all shares represented at the Meeting, by proxies or incoming postal voting shall be approved.

Appointment of one or two persons to verify the minutes of the Meeting (item 5)

The Board of Directors proposes that John Edgren (Eversheds Sutherland) is appointed as person to verify the minutes of the Meeting.

Allocation of the Company's profit or loss (item 8 b)

The Board of Directors proposes no dividend for the financial year that ended on 31 December 2022.

Determination of fees for members of the Board of Directors and auditors (item 9)

The Board of Directors proposes that the remuneration to the chairperson shall be EUR 27,000 and that no remuneration to the other non-employee directors shall be paid for the time until the next Annual General Meeting in 2024. Remuneration to the Company's auditors is proposed to be paid as per the approved invoice.

Election of Board of Directors and auditor (item 10)

The Board of Directors proposes:

- that the Board of Directors is to be composed of three (3) directors;
- that John O'Connor, Andrew Byrne and Mary Dunphy are re-elected as directors of the board, and
- that Mary Dunphy is re-elected as chairperson of the board

The Board of Directors proposes that the registered accounting firm Mazars AB is reappointed as the Company's auditor for the period until the end of the next Annual General Meeting. Mazars AB has informed that the certified accountant Martin Kraft will remain the auditor-in-charge, should Mazars AB be appointed as the Company's auditor.

Resolution on implementation of (A) an incentive program by way of (B) a directed issue of warrants and (C) approval of transfer of warrants (item 11)

(A) Implementation of an incentive program

The Board of Directors proposes that the Meeting resolves to implement a share-related incentive program for certain employees in the Company's subsidiary Kollect on Demand Ltd. (the "**Subsidiary**") on the principal terms and conditions below, by way of an issue of warrants directed to the Subsidiary and approval of the transfer of warrants from the Subsidiary to certain employees (the "**Incentive Program 2023/2026**").

1. The Incentive Program 2023/2026 comprises certain employees of the Subsidiary (the "**Participants**") and is based on warrants issued by the Company. No directors of the Company (apart from the CEO as capacity as an employee) nor its Subsidiaries will be allowed to participate. The incentive program will include approximately 30 Participants in total and the warrants shall be offered in accordance with the following principles:
 - a. The CEO A maximum of 83,400 warrants
 - b. Senior Management (4 Participants) A maximum of 166,800 warrants
 - c. Management (7 Participants) A maximum of 66,720 warrants
 - d. Staff (up to 18 Participants) A maximum of 16,680 warrants
2. Allotted warrants are vested for a period of three years, i.e., one-third each year.
3. Vesting requires that the Participant is still employed by the Subsidiary and has not terminated the employment on the day when the respective vesting takes place. In the event that a Participant ceases to be employed or terminate their employment with the Subsidiary before a vesting day, vested warrants may be exercised at the ordinary time for exercise as described below, but further vesting will not take place.
4. The warrants are granted free of charge.
5. Participants can exercise allotted and vested warrants during a period of 25 days after the release of the H1 report 2026.
6. The warrants shall be regulated in separate agreements with the respective Participant. The agreement shall, inter alia, include provisions regarding good and bad leaver and restriction on transfer of the warrants. The board of directors shall be responsible for the design and management of the incentive program within the framework of the above-mentioned principal terms and conditions.

In order to implement the Incentive Program 2023/2026, the Board of Directors proposes that the Meeting resolves to approve the terms and conditions of the Incentive Program 2023/2026 under this item (A) and that the Meeting resolves on a directed issue of warrants to Kollect on Demand Ltd. and on approval of transfer of warrants from Kollect on Demand Ltd. to the Participants, as proposed under items (B) and (C) below.

(B) Resolution on a directed issue of warrants to Kollect on Demand Ltd.

1. The Company shall issue no more than 333,600 warrants. Each warrant entitles to subscription of one (1) new share in the Company. If all warrants are subscribed, transferred to, and exercised by the Participants for the subscription of new shares, the Company's share capital will increase by SEK 83,400 (subject to potential recalculations in accordance with the standard terms and conditions that is to apply in relation to the warrants).
2. The warrants may, with deviation from the shareholders' preferential rights, only be subscribed for by Kollect on Demand Ltd, after which they are to be transferred to the Participants in accordance with the resolution adopted by the Meeting and instructions from the Company's Board of Directors. The reason for the deviation from shareholders' pre-emptive right is that the warrants may be used within the framework of the Incentive Program 2023/2026.
3. Subscription of warrants shall be made by Kollect on Demand Ltd on a subscription list immediately following the Meeting resolution on this issue of warrants. The Board of Directors shall be entitled to prolong the subscription period.
4. Kollect on Demand Ltd is not to pay anything for the warrants.
5. The warrants may be exercised for subscription of new shares during the period commencing on the day the Company releases its H1 report in 2026 and the following 25 days. Subscription of new shares may not take place during so-called closed periods according to the EU Market Abuse Regulation, or otherwise in breach of relevant insider rules and regulations (including the Company's internal guidelines in this respect). Warrants that have not been exercised for subscription of shares by the last day of the exercise period shall lapse.
6. Each warrant shall entitle the Participants to subscribe for one new share in the Company at a subscription price amounting to 130 per cent of the volume weighted average price (VWAP) of the Kollect on Demand Holding AB share traded on Nasdaq First North Growth Market ten trading days before the Meeting. Any share premium shall be transferred to the unrestricted premium reserve.
7. The warrants shall be transferred to the Participants in accordance with instructions from the Company's Board of Directors in accordance with the principles set forth below.

8. The shares that are added through the exercise of warrants entitle the Participant to dividend from the first record date for dividends that occur after the share has been entered into the Company's share register.

9. The warrants shall be subject to additional terms and conditions, including customary recalculation conditions. As a result, the subscription price of the new shares and the number of shares that each warrant entitles to may be subject to recalculation as a result of certain events, e. g., split, combination and rights issues.

10. Upon full exercise of the warrants, the shares in the Company will increase by 333,600, which corresponds to a dilution of approximately 3.76 per cent.

(C) Resolution on approval of transfer of warrants

A resolution to implement the Incentive Program 2023/2026 by way of issuing warrants in accordance with this proposal also includes an approval of transfer of warrants to the Participants. The board of directors proposes that the Meeting resolves to approve of transfer of warrants from Kollect on Demand Ltd to the Participants.

Background and reasoning

The reason for the adoption of the Incentive Program 2023/2026 and the deviation from shareholders' pre-emptive right to subscribe for new warrants is to be able to create opportunities for the Company and its subsidiary to retain competent personnel by offering a long-term ownership commitment for the employees. Such ownership involvement is expected to stimulate employees to increase their interest in the business and the earnings trend and increase the sense of belonging to the Company.

Preparation of the proposal

The principles of the Incentive Program 2023/2026 have been developed by the Company's board of directors without the participation of John O'Connor. The proposal has been prepared with support of external advisors and after consultations with shareholders. The Board of Directors has thereafter decided to submit this proposal to the Meeting. Excluding those who prepared the matter as instructed by the board, no employee who may be covered by the program has participated in the preparation of the proposal's terms.

Costs and effects on key figures

Since the Incentive Program 2022/2025 only includes foreign employees, the Board of Directors considers that the program will not cause any costs in the form of accounting costs or social security contributions. The incentive program will however cause certain administrative costs related to the preparation of the proposal, registration, and subscription of new shares with support of the warrants. The incentive Program is not expected to have any effects on the Company's key figures.

Other incentive programs

At the time of this notice, the Company has two outstanding incentive programs.

On June 4, 2021, the Annual General Meeting resolved to implement an incentive program for employees whereby 235,424 warrants were offered to employees of the Company's subsidiary. Each warrant entitles the holder to subscribe for one new share in the Company during the period commencing on the day the Company releases its Q2 report in 2024 and the following 25 days. The subscription price has been set at an amount corresponding to 130 percent of the average volume weighted price paid for the Company's shares on Nasdaq First North Growth Market during the period of 10 trading days prior to the Annual General Meeting in 2021.

On July 15, 2022, the Annual General Meeting resolved to implement an incentive program for employees whereby 333,600 warrants were offered to employees of the Company's subsidiary. Each warrant entitles the holder to subscribe for one new share in the Company during the period commencing on the day the Company releases its Q2 report in 2025 and the following 25 days. The subscription price has been set at an amount corresponding to 130 percent of the average volume weighted price paid for the Company's shares on Nasdaq First North Growth Market during the period of 10 trading days prior to the Annual General Meeting in 2022.

A valid resolution pursuant to this item requires that the resolution be supported by shareholders with at least nine-tenths 9/10 of both the votes cast and the number of shares represented at Meeting.

Authorization for the Board of Directors to resolve on issues of shares, warrants and convertibles (item 12)

It is proposed that the Meeting authorizes the Board of Directors to resolve – at one or several occasions and for the time period until the next Annual General Meeting – to increase the Company's share capital by new share issues and to issue warrants and/or convertible bonds, to the extent possible according to the Company's articles of association, as applicable.

New share issues, as well as issues of warrants and convertible bonds, may be made with or without deviation from the shareholders' preferential rights and with or without provisions for contribution in kind, set-off or other conditions pursuant to Chapter 2 section 5 of the Swedish Companies Act. Pursuant to Chapter 16 of the Swedish Companies Act, the Board of Directors may not by virtue of this authorization resolve on issues to board members and/or employees in the Company.

The purpose of the authorization is to increase the financial flexibility of the Company and the acting scope of the board of directors. Should the Board of Directors resolve on an issue with deviation from the shareholders' preferential rights, the reason shall be to enable the external raising of capital (through new owners of strategic importance for the Company or otherwise) for the financing of the Company's business, commercialization and development of the Company's products and intellectual property rights and/or acquisitions of other companies or businesses.

A resolution in relation to this item is valid only if supported by shareholders holding not less than two-thirds (2/3) of both the votes cast and the shares represented at the Meeting.

Resolution to authorize the Board of Directors to undertake minor adjustments of the resolutions (item 13)

The Board of Directors proposes that the Meeting authorizes the Board of Directors, the CEO or a person otherwise designated by the board, to undertake such minor adjustments and clarifications of the decisions made at the Meeting to the extent required for registration of the resolutions.

Documents and information

Pursuant to Chapter 7, Section 32 of the Swedish Companies Act, shareholders have the right to request information from the board of directors and the managing director at the Meeting regarding circumstances which may affect the assessment of a matter on the agenda and circumstances which may affect the assessment of the Company's financial position. The board of directors and the managing director are obliged to provide such information provided that the Board of Directors considers that it will not entail any significant harm to the Company. This obligation also applies in relation to group companies, group accounts and such other circumstances mentioned above in respect of group companies.

The annual report, group financial statements and the auditor's report etc. will be available at the Company's office and on the Company's website no later than three weeks before the Meeting. Copies of the aforementioned documents will also be sent to the shareholders who so request and inform the Company of their mailing address and the documents will be available at the Meeting. The documents will be presented at the Meeting.

Stockholm in May 2023
Kollect on Demand Holding AB (publ)
The Board of Directors

Attachments

[Notice to attend Annual General Meeting in Kollect on Demand Holding AB \(publ\)](#)