

# Notice convening the Annual General Meeting of Netel Holding AB (publ)

**The shareholders of Netel Holding AB (publ), reg. No. 559327-6263, are hereby given notice of the Annual General Meeting to be held on Thursday, 2 May 2024 at 11:00 a.m. CEST, Sibeliusalen, Finlandshuset konferens, Snickarbacken 4, Stockholm, Sweden.**

## Registration and notification

A shareholder who wishes to participate in the Annual General Meeting must

- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Tuesday 23 April 2024, **and**
- give notice of intent to participate no later than on Thursday 25 April 2024.

In order to be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the Annual General Meeting, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of the record date Tuesday 23 April 2024. Such re-registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than Thursday 25 April 2024 will be taken into account in the presentation of the share register.

## Notice of attendance

Notice of attendance shall be made in one of the following ways: in writing to Netel Holding AB, Att: Annual General Meeting, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden, phone +46 8 402 91 33 or via Netel's website [netelgroup.com/en/corporate-governance/annual-general-meetings](https://netelgroup.com/en/corporate-governance/annual-general-meetings). The notice shall state name, address, telephone number, personal or corporate identity number, number of shares held and, if applicable, the number of advisors (not more than two).

Registered participants will by post receive an entrance card to the meeting, which is to be presented at the entrance to the meeting.

Shareholders represented by proxy shall issue a dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or corresponding document shall be appended, which indicates the authorized signatories of the legal entity. The original power of attorney and, where applicable, the certificate should be submitted to the Company at the address indicated above well in advance of the meeting. Proxy forms are provided at the website [netelgroup.com/an/corporate-governance/annual-general-meetings](https://netelgroup.com/an/corporate-governance/annual-general-meetings) and will be sent to shareholders that so request.

### **Proposal for agenda**

1. Opening of the Meeting
2. Election of 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 attest the minutes
6. Determination of whether the Meeting was duly convened
7. Presentation of the Annual Report and the Auditor's Report as well as the Consolidated Financial Statements and the Auditor's Report for the Group
8. Resolutions regarding
  - (a) adoption of the Income Statement and the Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet
  - (b) allocation of the Company's profit according to the adopted balance sheet
  - (c) discharge from liability for board members and the Managing Director for 2023
9. Determination of the number of Directors and Auditors
10. Determination of fees for the Board of Directors and the Auditor
11. Election of the Board of Directors and Chairman of the Board of Directors
  - a) re-election of Alireza Etemad,
  - b) re-election of Carl Jakobsson,
  - c) re-election of Göran Lundgren,
  - d) re-election of Nina Macpherson,
  - e) election Therese Lundstedt, and
  - f) election of Alireza Etemad as Chairman of the Board
12. Election of auditor
13. Resolution on approval of Remuneration Report
14. Resolution to amend the guidelines for remuneration to the executive management
15. Resolution on long-term incentive programme, LTIP 2024 including:
  - a) issue of warrants
  - b) approval of transfer of warrants to participants in LTIP 2024
  - c) issue of synthetic options to participants in LTIP 2024
16. Resolution on the authorization of the Board of Directors to issue new shares

### **Election of Chairman of the Meeting (item 2)**

The Nomination Committee proposes that Hans Petersson is elected as Chairman of the Meeting.

### **Resolution regarding allocation of the Company's profit (item 8)**

The Board proposes that no dividend be paid to shareholders for 2023 to further strengthen Netel's financial position.

### **Number of Directors and Auditors (item 9)**

The Nomination Committee proposes five Directors without Deputy Directors and one Auditor.

---

### **Fees to the Board of Directors and the Auditor (item 10)**

The Nomination Committee proposes that unchanged fees of SEK 525,000 to the Chairman of the Board and SEK 315,000 to each of the other Directors shall be paid until the next Annual General Meeting. The fee to the Chairman of the Audit Committee shall remain unchanged at SEK 100,000 as well as the fees of SEK 50,000 to each of the other members of the Committee. The fee to the Chairman of the Remuneration Committee shall remain unchanged at SEK 70,000 and SEK 35,000 to each of the other members of the Committee.

The Nomination Committee also proposes that the Auditor's fee be paid as incurred on approved account.

### **Election of the Board of Directors and Chairman of the Board of Directors (item 11)**

The Nomination Committee proposes the re-election of Directors Göran Lundgren, Nina Macpherson, Alireza Etemad, and Carl Jakobsson as well as election of Therese Lundstedt. Alireza Etemad is proposed to be elected as Chairman of the Board of Directors. Current Directors Hans Petersson, Ann-Sofi Danielsson and Jeanette Reuterskiöld have declined re-election.

### **Election of Auditor (item 12)**

It is proposed to re-elect the audit firm Deloitte AB, with Jenny Holmgren as principally responsible auditor, as the company's auditor for the period until the next Annual General Meeting. The proposal of the Nomination Committee is in accordance with the recommendation of the Audit Committee.

### **Resolution to amend the guidelines for remuneration to the management (item 14)**

The Board of Directors proposes that the Annual General Meeting resolves to change the previously approved guidelines for remuneration to the management. The proposal includes that termination of members of management, excluding the chief executive officer, by the company will have a period of notice of nine months at most (previously six months). Further, the proposal includes that in case a share-related or share price-related remuneration, resolved by the general meeting, is not considered appropriate for certain participants, the company may offer cash remuneration in the form of cash settlement at terms corresponding to such share-related or share price-related remuneration.

### **Resolution on long-term incentive programme, LTIP 2024 including:**

- a) issue of warrants
- b) approval of transfer of warrants to participants in LTIP 2024
- c) issue of synthetic options to participants in LTIP 2024 (item 15)

The Board of Directors proposes that the Annual General Meeting resolves to implement a long-term incentive programme, LTIP 2024, to the members of management and certain other key persons, a total of eight persons, by resolving to a) issue warrants to the company's wholly-owned subsidiary Netel Group AB, b) approve transfer of warrants to participants in LTIP 2024, and c) issue synthetic options to participants in LTIP 2024 in accordance with a), b), and c) below. Warrants shall be offered to participants residing in Sweden and Finland and, due to certain market conditions in Norway, synthetic options shall be offered to participants residing in Norway. The proposal of the Board of Directors under a), b), and c) are conditional on each other.

The proposed incentive programme is a three-year programme including a total of eight persons. The incentive programme means that members of management and key employees, who have entered into an agreement including inter alia, pre-emption rights for the company, are offered to acquire warrants or synthetic options at market value calculated using Black & Scholes valuation model.

a) The Board of Directors proposes that the Annual General Meeting resolves to issue a maximum of 750,000 warrants free of charge to the company's subsidiary to be transferred to members of management and key persons within the frame of LTIP 2024.

Each warrant entitles the holder to, during the period 1 June 2027 – 31 August 2027, subscribe for one new share in the company at a subscription price corresponding to 150 per cent of the volume-weighted average price of the company's share on Nasdaq Stockholm during the period 13 May 2024 – 17 May 2024.

Using a so-called net-strike, the warrant holders will, at the time of exercise, subscribe for shares at the share's quota value instead of the subscription price that otherwise would have been applicable, and subscribe for a lower number of shares than what the warrants otherwise would entitle to. This results in the dilution being less as fewer new shares are being issued, but the warrant holders financial terms remain the same as a lower subscription price is paid per share. The number of shares the warrant holders may subscribe for when applying net-strike is based on the market value of the share at the beginning of the exercise period.

b) The Board of Directors proposes that the Annual General Meeting resolves to approve the transfer of a maximum of 750,000 warrants within the frame of LTIP 2024.

The right to acquire warrants shall be granted a maximum of six members of management and key persons within the group. The chief executive officer is offered to acquire a maximum of 215,000 warrants and the other participants are offered to acquire a maximum of 107,000 warrants each.

The warrants shall be transferred at a price (premium) corresponding to the market value of the warrants at the time of the transfer. Calculation of the warrants' market value shall be made by PwC, as an independent valuation institute, by applying the Black & Scholes valuation model. The company will subsidise the participants acquisitions of warrants by the company paying an amount corresponding to circa 50 per cent of the premium in connection with the transfer of warrants to the participants.

In connection with the transfer of warrants to participants in the programme, the company will reserve the right, with certain exceptions, to buy back the warrants if the participant's employment or assignment in the Group ceases or if the participant wishes to transfer the warrants before the warrants may be exercised.

c) The Board of Directors proposes that the Annual General Meeting resolved to issue a maximum of 214,00 synthetic options to two participants in LTIP 2024 residing in Norway. The two participants will be offered to acquire a maximum of 107,000 synthetic options each.

The synthetic options shall be transferred at a price (premium) corresponding to the market value of the synthetic options at the time of the transfer. Calculation of the synthetic options' market value shall be made by PwC, as an independent valuation institute, by applying the Black & Scholes valuation model. At the issuance of the synthetic options, each synthetic option corresponds to one underlying share in the company and the exercise price corresponds to 150 per cent of the volume-weighted average price of the company's share on Nasdaq Stockholm during the period 13 May 2024 – 17 May 2024.

The company will subsidise the participants acquisitions of synthetic options by the company paying an amount corresponding to circa 50 per cent of the premium in connection with the acquisition of synthetic options by the participants.

The request to exercise the synthetic options may be made during the period 1 June 2027 – 31 August 2027. Each synthetic option entitles the holder to receive a cash payment from the company corresponding to the volume-weighted average price of the company's share on Nasdaq Stockholm during the period of 10 business days that precede the first day of the exercise period with deduction of the exercise price.

*Impact on key performance indicators, costs of the programme and dilution*

The cost of LTIP 2024 is expected to have a marginal impact on Netel's key figures. The subsidy that the participants in LTIP 2024 will receive from the company will entail costs for the Company. The costs for the subsidy are estimated to amount to a total of approximately SEK 2.2 million, including costs for social security contributions and pension costs. The stated cost for the subsidy is based on the preliminary option value stated below and assumes that all participants are still employed by Netel (including not having resigned or been dismissed) at the time of payment of the subsidy in connection with the acquisitions. For the warrants, no costs are expected to be incurred by the company beyond the costs of the subsidy.

For the synthetic options, certain costs are expected to be incurred by the company beyond the costs of the subsidy. The size of these costs depends on the total value of the synthetic options at the end of LTIP 2024, taking into account the participants' initial investments and the exercise price paid. Based on the preliminary estimated market value of the synthetic options and the preliminary exercise price set out below, the assumption that all synthetic options are acquired, an assumed share price of SEK 24.00 at the beginning of the exercise period (corresponding to a share price increase of 100 per cent during the term of the programme) and that no dividends are paid to the shareholders during the term of the programme, the costs for the synthetic options are estimated to amount to approximately SEK 1.0 million. At an assumed share price of SEK 20.40 at the beginning of the exercise period (corresponding to a share price increase of 70 per cent during the term of the programme), but all else being equal, the costs for the synthetic options are instead estimated to amount to approximately SEK 0.2 million.

According to a preliminary valuation, the market value of the warrants has been estimated at approximately SEK 1.56 per warrant and the market value of the synthetic options at approximately SEK 1.55 per synthetic option (assuming a share price of SEK 12.00, a subscription price/exercise price of approximately SEK 18.00, a risk-free interest rate of approximately 2.52 per cent, a volatility of 35 per cent and a term of approximately three years and a value cap of SEK 60.00 per option for the synthetic options), calculated according to the Black-Scholes valuation model. In addition to what is stated above, the cost of the programme has been calculated on the basis that the programme comprises a maximum of eight participants and that they acquire the maximum number of warrants and synthetic options as stated above. A final valuation will be performed by PwC at the time of transfer to the participants.

Based on 48,511,873 shares in Netel and the proposed number of 750,000 warrants, the maximum dilution resulting from the warrant programme may amount to approximately 1.52 percent. However, as a so-called net-strike will be applied when exercising the warrants, the dilution will likely be lower.

#### *The purpose of the incentive programme*

The Board of Directors believes that a long-term share and share price related incentive programme for members of the group management and certain other key employees can have a positive impact on the company's development. The main purpose of introducing LTIP 2024 is to align the participants' interests with those of the shareholders to ensure maximum long-term value creation. LTIP 2024 is also expected to facilitate the company's recruitment and retention of key employees.

#### **The Board of Directors' proposal for resolution on authorization to issue new shares (item 16)**

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors to, on one or more occasions, no later than the time of the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, issue new shares against payment in cash, with provisions of payment in kind or set-off of claims or other conditions. Such issues may not result in the company's registered share capital being increased by more than a total of 10 percent at the time the Board of Directors first utilizes the authorization.

The purpose of the authorization and the reasons for the deviation from the shareholder's preferential right is to enable the raising of capital for expansion, company acquisitions and for the company's operations. The issue price shall be determined taking into account prevailing market conditions, taking into account any discount on market terms. The Board of Directors, or a person appointed by the Board, is authorized to make such minor adjustments to the resolution as may be required in connection with registration of the resolution with the Swedish Companies Registration Office.

#### **Particular majority requirements**

For a valid resolution under item 15, the resolution must be supported by shareholders holding at least nine tenths of both the votes cast and the shares represented at the Annual General Meeting. For a valid resolution under item 16, the resolution must be supported by shareholders representing at least two-thirds of the votes cast and the shares represented at the Annual General Meeting.

### **Documents**

The complete proposal of the Board of Directors, audit documents, the Audit Report, and the Board of Directors' Remuneration Report and other documents are available at the company, Netel Holding AB (publ), Fågelviksvägen 9, 7 tr, Stockholm, Sweden and on the company's website [netelgroup.com/en/corporate-governance/annual-general-meetings](https://netelgroup.com/en/corporate-governance/annual-general-meetings) no later than three weeks before the Annual General Meeting. Furthermore, the Nomination Committee's statement is available at the company at the above-mentioned address, and at [netelgroup.com/en/corporate-governance/annual-general-meetings](https://netelgroup.com/en/corporate-governance/annual-general-meetings), no later than four weeks before the Annual General Meeting. Copies of the documents are sent to shareholders who request it and state their postal address. The documents will be sent to shareholders who so request and state their address.

Proxy forms are available on the company's website [netelgroup.com/en/corporate-governance/annual-general-meetings](https://netelgroup.com/en/corporate-governance/annual-general-meetings) and are sent free of charge to the shareholders who request it from the company.

### **Shareholders' right to receive information**

The Board of Directors and the President and CEO shall, if any shareholder so requests and the Board of Directors 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 and circumstances that may affect the assessment of the company's or its subsidiaries' financial situation and the company's relation to other companies within the Group. A request for such information shall be made in writing to the company no later than ten days prior to the Annual General Meeting, i.e. no later than 22 April 2024, at the address of Netel Holding AB, AGM 2024, Fågelviksvägen 9, 7 tr, SE-145 84 Stockholm, Sweden or by e-mail at [info@netelgroup.com](mailto:info@netelgroup.com). The questions and responses will be made available on the Group's website [netelgroup.com/en/corporate-governance/annual-general-meetings](https://netelgroup.com/en/corporate-governance/annual-general-meetings) no later than 27 April 2024. The questions and answers will also be available at the company's head office in Stockholm, Sweden on the same date. The information is also sent to the shareholders who requested it and stated their address.

### **Shares and votes**

There are a total of 48,511,873 shares in Netel Holding AB (publ), corresponding to 48,511,873 votes. All shares carry one vote. The company holds no treasury shares.

### **Processing of personal data**

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

Netel Holding AB (publ) has its registered office in Stockholm, Sweden.

-----

Stockholm, March 2024

### **The Board of Directors of Netel Holding AB (publ)**

#### **Contacts**

---

Jeanette Reuterskiöld, President and CEO, +46 (0) 702 28 03 89, jeanette.reuterskiold@netel.se  
Fredrik Helenius, CFO, +46 (0) 730 85 52 86, fredrik.helenius@netel.se  
Åse Lindskog, IR, +46 (0) 730 24 48 72, ase.lindskog@netelgroup.com

#### **About Us**

---

Netel is a leading specialist in critical infrastructures in Northern Europe. We have over 20 years of experience in carrying out projects as well as services and maintenance for the industry's largest players in power, telecommunications, heating as well as water and sewage. We have a clear strategy for organic growth and acquisitions based on an efficient business model that is characterized by decentralization, low capital tied up and high cash conversion. Our business is based on a solid sustainability approach with intense responsibility for the environment and work safety. Netel had sales of more than SEK 3.4 billion in 2023 and has over 850 employees. Read more at [www.netelgroup.com](http://www.netelgroup.com).

#### **Attachments**

---

[Notice convening the Annual General Meeting of Netel Holding AB \(publ\)](#)