

PRESS RELEASE
26 March 2024 09:10:00 CET

Notice of the Annual General Meeting for Gränges AB

The Annual General Meeting of Gränges AB will be held on Wednesday May 8, 2024 at 15.30 CEST at GT 30, Grev Turegatan 30, Stockholm. Registration begins at 15.00 CEST.

English translation for information purposes only. If there are differences between the English translation and the Swedish original, the Swedish text will take precedence.

The Board of Directors has decided, pursuant to Chapter 7, section 4a of the Swedish Companies Act and the company's articles of association, that shareholders shall have the right to exercise their voting rights by postal voting prior to the General Meeting. Consequently, shareholders may choose to exercise their voting rights at the General Meeting by attending in person, through a proxy with a proxy form or by postal voting.

Right to attend and notification to the company

Shareholders wishing to attend the General Meeting must:

- (i) be recorded as shareholders in the share register maintained by Euroclear Sweden AB, as of Monday, April 29, 2024; and
- (ii) notify the company of their intention to participate in the General Meeting no later than on Thursday, May 2, 2024.

Notice may be submitted in writing to the company at the address Gränges AB, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden or by phone to +46 8 402 91 33 business days between 9.00 CEST and 16.00 CEST, on the company's website, www.granges.com, or by e-mail to GeneralMeetingService@euroclear.com. On giving notice of attendance, the shareholder should state the shareholder's name (company name), personal identity number (corporate identity number), address, telephone number and number of shares. The registration procedure described above also applies to registration for any advisors. A shareholder that exercises its voting rights through a postal voting form does not have to send in a separate notice of participation, see below under postal voting.

Nominee registered shares

In order to participate in the General Meeting, those whose shares are registered in the name of a nominee must request their bank or broker to have their shares owner registered with Euroclear Sweden AB as of Thursday, May 2, 2024, and the bank or broker should therefore be notified in due time before said date. This registration may be made temporarily.

Postal voting

The shareholders may exercise their voting rights at the General Meeting by postal voting. A special form shall be used for postal voting. The form is available on the company's website, www.granges.com. The voting form can also be obtained from the company or by contacting Euroclear Sweden AB at the contact information above. For the items on the agenda where the Board of Directors or the Nomination Committee have submitted proposals, it is possible to vote Yes or No, which is clearly stated in the postal voting form. A shareholder can also abstain from voting on any item.

The completed voting form must be received by Euroclear Sweden AB (who administers the forms on behalf of Gränges AB) no later than on Thursday, May 2, 2024. The postal voting form is valid as a notification to the General Meeting. Shareholders can, through verification with BankID, cast their postal vote electronically via Euroclear Sweden AB's website <https://anmalan.vpc.se/euroclearproxy>. Such electronic votes must be submitted no later than Thursday, May 2, 2024.

The completed form, including any appendices, must be sent by e-mail to GeneralMeetingService@euroclear.com or alternatively by post to Gränges AB, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden. If the shareholder is a legal entity, a registration certificate or an equivalent authority document, shall be enclosed to the form. The same applies if the shareholder votes in advance by proxy.

The shareholder may not provide special instructions or conditions in the voting form. If so, the postal vote is invalid in its entirety. Further instructions and conditions are included in the postal voting form.

Proxy and proxy form

Anyone who does not attend the General Meeting in person may exercise their right at the General Meeting via a proxy in possession of a signed and dated form of proxy. The same applies if a shareholder exercises its voting rights by postal voting. Forms of proxy are available on the company's website, www.granges.com. The form of proxy may also be obtained from the company or by contacting Euroclear Sweden AB at contact information above. If the proxy is issued by a legal person, a copy of their registration certificate or equivalent authority document must be attached. The proxy must have been issued within the past year unless a longer period of validity is specified on the form of proxy, subject to a maximum of five years. To facilitate entry to the General Meeting, forms of proxy, registration certificates and other documentary authority must be received by the company in good time before the General Meeting.

Proposed agenda

1. Opening of the General Meeting and election of the Chair for the General Meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of persons to check the minutes
5. Determination of whether the General Meeting was duly convened
6. CEO's report
7. Presentation of the annual report and auditor's report as well as the consolidated financial statements and auditor's report for the Group
8. Resolutions on:
 - a. adoption of the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet,
 - b. appropriation of the company's earnings according to the adopted balance sheet and setting of the record date for the dividend,
 - c. discharging the members of the Board of Directors and the CEO from liability vis-à-vis the company
9. Resolution on the number of Board members
10. Resolution on fees payable to the Board members and the auditor
11. Election of Board members and the Chair of the Board
12. Election of auditor
13. Resolution on approval of the remuneration report
14. Resolution on LTI program for 2024
 - a. Resolution regarding adopting a long-term incentive program in the form of a combination of warrants (actual or synthetic) and restricted share units
 - b. Resolution regarding adopting a long-term incentive program in the form of a combination of call options and restricted share units
15. Resolution on issue authorization
16. Conclusion of the General Meeting

Nomination Committee's proposals

The Nomination Committee for the 2024 Annual General Meeting consisted of the following members: Jannis Kitsakis at Fjärde AP-fonden (Chair of the Nomination Committee); Anders Algotsson at AFA Försäkring; Jan Dworsky at Swedbank Robur; and Fredrik Arp (Chair of the Board).

The Nomination Committee proposes the following to the 2024 Annual General Meeting:

Election of the Chair for the General Meeting (item 1)

The Nomination Committee proposes that Fredrik Arp be elected as Chair of the General Meeting, or if Fredrik Arp is prevented from attending, the person the Nomination Committee proposes instead.

Resolution on the number of Board members (item 9)

The Nomination Committee proposes that for the period up to the close of the next Annual General Meeting, the Board of Directors should consist of eight members elected by the General Meeting with no alternates.

Resolution on fees payable to the Board members and the auditor (item 10)

The Nomination Committee has presented the following proposal on the fees to the Board members and the auditor.

- A. Fees to the Board members for the period up to the close of the next Annual General Meeting, is proposed to be paid as follows. It is proposed that a fee of SEK 890,000 shall be paid to the Chair of the Board and SEK 375,000 for the other Board members elected by the General Meeting. Remuneration shall be paid with SEK 190,000 for the Chair of the Audit Committee and SEK 80,000 for the other members. Remuneration shall remain unchanged and be paid with SEK 70,000 for the Chair of the Remuneration Committee and SEK 35,000 for the other members. Fees to all the employee representatives of the Board shall remain unchanged at SEK 40,000 each, for the same period.
- B. Fees to the auditor for services performed are proposed to be paid against, by the company, approved current account.

Election of Board members and the Chair of the Board (item 11)

The Nomination Committee proposes re-election of the Board members specified below up to the close of the next Annual General Meeting.

- A. Fredrik Arp
- B. Steven Armstrong
- C. Mats Backman
- D. Martina Buchhauser
- E. Peter Carlsson
- F. Gunilla Saltin

The Nomination Committee proposes election of the Board member specified below as a new member of the Board up to the close of the next Annual General Meeting.

- G. Mikael Bratt
- H. Cecilia Daun Wennborg

Further, the Nomination Committee proposes re-election of the Chair of the Board for the period up to the close of the next Annual General Meeting.

- I. Fredrik Arp

The current Board members Katarina Lindström and Hans Porat have notified the Nomination Committee that they decline re-election. Information about the proposed Board members can be found on the company's website, www.granges.com.

Election of auditor (item 12)

The Nomination Committee proposes, according to the Audit Committee's recommendation, that the registered accounting firm Ernst & Young AB shall be re-elected as the company's auditor for the period up to the close of the next Annual General Meeting.

Ernst & Young AB has notified the company that in the event it will be elected as auditor, Andreas Troberg, authorized public accountant, will continue to be the auditor-in-charge of the company.

The Board of Directors' proposals

Resolutions on the appropriation of the company's earnings according to the adopted balance sheet and setting of the record date for the dividend (item 8b)

The Board of Directors proposes that the retained earnings of SEK 4,023,846,174 be appropriated as follows: Payment to the shareholders of a dividend of SEK 318,925,854 which is equivalent to SEK 3 per share, and the remaining amount of SEK 3,704,920,320 to be carried forward. It is proposed that the dividend is divided into two payments of SEK 1.50 per payment. The first record date is proposed to be May 13, 2024, and the second record date is proposed to be November 12, 2024. If the General Meeting resolves in accordance with the proposal, the dividend is expected to be distributed through Euroclear Sweden AB on May 16, 2024, and on November 15, 2024.

Resolution on approval of the remuneration report (item 13)

The Board of Directors proposes that the General Meeting resolves to approve the Board of Directors' remuneration report on remuneration in accordance with Chapter 8, Section 53 a of the Swedish Companies Act.

Resolution on LTI program for 2024 (item 14)

The Board of Directors considers it important, and in the interest of all shareholders, to align the interests of key personnel with the shareholders' interest in a good development of the Gränges share value over the long term. The Board of Directors further believes that a share-based long-term incentive program creates such an alignment of interests, while also enhancing the possibility to attract, recruit and retain key personnel. Therefore, the Board of Directors proposes that the General Meeting, as a supplement to the annual incentive program ("STI 2024"), resolves on a share-based long-term incentive program ("LTI 2024") for senior managers and other key individuals in Gränges with a vesting period from 2024 to 2027.

Participation in LTI 2024 requires participants to invest in Gränges warrants. Provided that certain performance criteria connected to the realization of the Navigate plan for sustainable growth^[1] are met, the participant will also receive restricted Gränges share units that are settled in cash and vested over a period of three years conditional upon the participant's continued employment with Gränges.

The value of the participants' investment in Gränges warrants cannot be realized before 2027. The value realized depends on the share price development of the Gränges share. If the share appreciates less than 15 percent over the three-year period 2024-2027, the value of the participants' investment will be zero.

The number of restricted share units received, and their value depend on:

- The number of warrants acquired.
- Performance against the targets for Financial Value Creation within STI 2024.
- Performance against the targets for Sustainability within STI 2024.
- The value increase of the Gränges share in the period 2024-2027.
- Continued employment within Gränges.

If all warrants are acquired and the maximum outcome against the performance targets is achieved, the total cost for LTI 2024 will amount to a maximum of approximately SEK 17 million per year in accordance with IFRS 2 and the maximum dilution will amount to 0.9 percent.

This proposal has been prepared by the Board of Directors in consultation with external advisors. The LTI program is intended to be recurring annually and LTI 2024 has the same structure as the LTI 2023 program adopted by the Annual General Meeting in 2023.

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long term incentive program in the form of a combination of warrants (actual or synthetic) and restricted share units through (i) an issue of warrants and approving transfer of the warrants and an issue of synthetic warrants (the "Warrant part"), and (ii) an issue of restricted share units (the "Restricted share unit part") to senior managers and other key individuals in Gränges AB (publ) and its subsidiaries in accordance with item 14a below. Should the majority requirement for item 14a below not be met, the Board of Directors proposes that the Annual General Meeting resolves on a long term incentive program in the form of a combination of call options and restricted share units through (i) an issue of call options (the "Call Option Part"), and (ii) an issue of restricted share units (the "Restricted share unit part") to senior managers and other key individuals in the company and its subsidiaries in accordance with item 14b below.

The Board of Directors' proposal regarding adopting a long-term incentive program in the form of a combination of warrants (actual or synthetic) and restricted share units (item 14a)

A. The warrant part

A1. Issue of warrants

As part of LTI 2024, not more than 1,000,000 warrants shall be issued, mainly in accordance with the following terms and conditions.

1. The right to subscribe for new warrants shall, with deviation from the shareholders' preferential rights, be granted to the company itself. The intention is that the warrants shall be transferred to approximately 50 senior managers and other key individuals in the company and its subsidiaries in accordance with A2 below.
2. The reason for the deviation from the shareholders' preferential rights is that the issue is part of the adaptation of LTI 2024, whereby senior managers and other key individuals are given the opportunity to take part in a positive development in the company. The existence of such a program is expected to increase the ability to recruit and retain key personnel.
3. The warrants are issued free of charge. Upon transfer of the warrants a market-based premium shall be paid, in accordance with A2.4 below.
4. Subscription of the warrants shall be made on a subscription list no later than August 31, 2024. The Board of Directors shall have the right to extend the subscription period.
5. Each warrant shall entail a right to subscribe for one (1) new share in the company at a subscription price established by the company, or by an independent appraiser or auditor firm retained by the company, corresponding to 115 percent of the volume-weighted average price of the company's share on Nasdaq Stockholm during the ten (10) trading days immediately preceding the offer to subscribe for warrants, however not less than the quota value of the shares. The subscription price shall be rounded to the nearest one-hundredth of a Swedish krona (SEK 0.01). SEK 0.005 will be rounded up. When subscribing for shares, the part of the subscription price that exceeds the quota value of the shares shall be added to the unrestricted premium reserve.
6. Subscription of shares upon exercise of the warrants shall be made in accordance with the terms and conditions of the warrants during a period of ten (10) trading days from the date of publication of each respective interim report below.
 - the interim report for the period April 1 – June 30, 2027;
 - the interim report for the period July 1 – September 30, 2027;
 - the interim report for the period October 1 – December 31, 2027; and
 - the interim report for the period January 1 – March 31, 2028.
7. In the event that the company has not published an interim report for the period January 1 – March 31, 2028 before May 31, 2028, the warrant holders shall be entitled to subscribe for shares during a period as of June 1, 2028 up to and including June 12, 2028. Subscription of shares upon exercise of the warrants shall take place with regard to the insider legislation in force at any given time.
8. Shares that have been issued through exercise of warrants entail the right to dividends for the first time on the next record date for dividends that occurs after the new shares have been registered with the Swedish Companies Registration Office and the shares have been entered in the share register kept by Euroclear Sweden AB.
9. Special terms and conditions shall otherwise apply to the warrants. As stated in the warrant terms, the subscription price as well as the number of shares that each warrant entitles to may be recalculated in the event that the Board of Directors decides to apply the Net strike formula (Sw. Nettostrike-formeln). Furthermore, recalculation may take place in connection with a bonus issue, reverse split or split of shares, new issue, issue of warrants or convertibles and in certain other situations. Furthermore, the time for exercise of the warrants may be brought forward or postponed in certain situations.
10. If all warrants are exercised for subscription of shares, the company's registered share capital will increase by no more than SEK 1,339,775.221695 (subject to the change that may be caused by any recalculation in accordance with the terms and conditions for the warrant).
11. The CEO, or any person appointed by the Board of Directors, shall be entitled to make any minor adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB.

A2. Transfer of warrants to senior managers in the company and its subsidiaries

As part of LTI 2024, the company shall transfer a maximum of 1,000,000 warrants as follows.

1. The warrants shall be transferred in accordance with the distribution set out under the heading “Allocation of warrants and restricted share units” below.
2. Upon transfer of the warrants, the market-based premium calculated in accordance with the Black & Scholes warrant valuation model shall be paid for the warrants[2].
3. Transfer of warrants shall be conditional on the transfer being lawfully possible and that the acquirer enters into an option agreement with the company, according to which the acquirer is obliged to offer the company to acquire the warrants in certain situations. Such an agreement shall also include a right for the company to repurchase part of the warrants from the warrant holder for the market value in order to contribute to the holder’s financing at the time of the exercise of the warrants.
4. In order to encourage participation in the program, a subsidy may be paid which, after deduction of tax and other applicable fees, amounts to 50 percent of the premium paid for each warrant (the “Net Contribution”). If the participant has terminated its employment or been terminated within three years of the payment of the warrant premium, an amount corresponding to the Net Contribution shall be repaid to Gränges. The same applies if the participant has disposed of warrants acquired under LTI 2024 within a period of three years from the payment of the warrant premium. However, the repayment obligation shall be reduced in relation to how long the participant has worked in Gränges during the term of the warrants and in relation to the number of disposed warrants.
5. Transfer of warrants to employees outside Sweden is subject to any tax effects, that there are no legal obstacles and that the Board of Directors considers that such transfer can be made with reasonable administrative and financial resources. The Board of Directors shall have the right to make such minor adjustments of the Warrant Part as are prompted by applicable foreign laws and regulations. The Board of Directors shall also have the right to resolve that participants should instead be offered the opportunity of a similar cash-based alternative (“Synthetic Warrants”), which to the extent applicable shall track the terms of the Warrant Part.
6. Furthermore, the Board of Directors shall be authorized to enter into one or more share swap agreements with third parties on one or more occasions on market terms. Share swap agreements aim to hedge the financial exposure in the event that employees outside of Sweden are offered to receive Synthetic Warrants and the other possible risks that arise from the Warrant Part.

B. The Restricted share unit part

As part of LTI 2024, the company shall transfer a maximum of 500,000 restricted share units in accordance with the following terms and conditions.

1. The restricted share units shall be allotted in accordance with the distribution set out under the heading “Allocation of warrants and restricted share units” below.
2. The vesting periods for the restricted share units will run over the period June 1, 2024 to ten (10) trading days from the date of publication of the interim report for the period January – March 2025, 2026 and 2027 respectively (the “Vesting periods”) with one third of the restricted share units vesting per year. The ending value of the vested restricted share units will be paid to the participants in cash.
3. The value of the restricted share units is calculated as follows:
 - a. Starting value: The volume-weighted average price of the Gränges share on Nasdaq Stockholm during a period of ten (10) trading days from the date of publication of the year-end report for 2024.
 - b. Dividends: Dividends during the respective part of the Vesting period are reinvested in additional restricted share units. The reinvestment amount is calculated as the dividend in SEK divided by the closing price on the dividend date.
 - c. Ending value: The volume-weighted average price of the company’s share on Nasdaq Stockholm during a period of ten (10) trading days from the date of publication of each respective interim report for the period January – March of the years 2025, 2026 and 2027.
4. Gränges’ finance department is responsible for maintaining a register of restricted share units allotted to participants within LTI 2024 and for proposing payments to participants for approval by Gränges’ Board of Directors.

5. Payments take place at the end of the vesting periods and no later than June 30 2025, 2026 and 2027, and will only be made to participants who, at the time of the payment, haven't terminated or been terminated from their employment, provided that no local laws or regulations exist entitling participants to payouts. Deviations from this principle (so-called "good leaver" agreements) must be approved by Gränges' Board of Directors.
6. The total cash payment from restricted share units and the short term incentive program combined may not exceed 150 percent of the annual base salary in the year of payment.[3]
7. In the event of death or retirement occurring during the Vesting period, the participant will be assigned a proportionate payout corresponding to actual working period in relation to the Vesting period, provided that no local laws or regulations exist entitling the participant to a different payout. The value of the restricted share units is then calculated based on the closing price on the last trading day of the month before the date of death or retirement.
8. If a participant is absent due to illness or any other reason for a period of more than three months in total during the Vesting period, the participant will be allocated a proportional payout for the actual working period relative to the respective part of the Vesting period, provided that no local laws or regulations exist entitling the participant to a different payout.
9. Payouts are as a rule not regarded as pensionable income. In cases where pension plans define payouts as pensionable income, the payout will be reduced as follows.
 - a. Defined contribution pension plans: The payout is reduced by an amount equivalent to the premium in the defined contribution pension plan.
 - b. Defined benefit pension plans: The payout is reduced by a factor aimed at achieving a cost-neutral solution for Gränges.
10. The number of restricted share units to which the participant is entitled may be recalculated in accordance with stock market principles due to, among other things, bonus issue, reverse split or split of shares, new issues, extraordinary dividends, reduction of the share capital or similar measures so that the participant receives equivalent rights as before the event.
11. The right that comes with the restricted share units cannot be pledged, transferred, or in any other way be disposed of. However, in case of the participant's death, the right is transferred to the deceased's estate, taking into account what is stated above with regards to payments in the event of death.
12. The Board of Directors is entitled to adjust (i) the terms and conditions to comply with legal requirements, regulations et cetera and (ii) the payout in the event significant changes take place that affect Gränges or its business environment, resulting in a situation where the terms and conditions are deemed inappropriate or to give an unreasonable result.
13. Furthermore, the Board of Directors shall be authorized to enter into one or more share swap agreements with third parties on one or more occasions on market terms. Share swap agreements aim to hedge the company's financial exposure and the other possible risks that arise from the Restricted share unit part.

Allocation of warrants and restricted share units

LTI 2024 shall cover approximately 50 senior managers and other key individuals. The number of warrants and restricted share units offered to the respective participant shall vary depending on the responsibility, position and other factors. Some positions only qualify for restricted share units. The maximum number of warrants that a participant may acquire and the maximum value of restricted share units that a participant may receive is specified below.

Participant category	Maximum number of warrants	Maximum value of restricted share units	
		If NO warrants acquired or if STI target threshold level is not met	If ALL warrants acquired and STI target maximum level is met
CEO	150,000	0	60 percent of the participant's annual base salary of 2024
Group management	75,000	0	60 percent of the participant's annual base salary of 2024[4]

Other key individuals	25,000	0	40 percent of the participant's annual base salary of 2024[5]
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The actual value of the restricted share units a participant will receive is determined by the following:

1. The performance against the targets for STI 2024. At allotment the value of the restricted share units will be equivalent to the amount paid to the participant under STI 2024. This amount is in turn derived from the performance against targets for Financial Value Creation and Sustainability.
2. The number of warrants acquired. The value of the restricted share units may never exceed the maximum value specified in the table above. If a participant refrains from acquiring the maximum number of warrants the value of the restricted share units will be adjusted down pro-rata with the proportion of warrants acquired.

The number of restricted share units is calculated by dividing the amount from STI 2024, adjusted for the number of warrants acquired, by the volume-weighted average price of the Gränges share on Nasdaq Stockholm during a period of ten (10) trading days from the date of publication of the year-end report for 2024.

If participants refrain from acquiring the offered warrants in whole or in part, such unacquired warrants shall be distributed pro rata among allotment holders, who have expressed a written interest in acquiring additional warrants. Through this method, the person entitled to acquire warrants will not be able to acquire more than an additional 50 percent of the originally offered number of warrants. Warrants acquired through this method do not qualify for additional allotment of restricted share units. Any unallocated restricted share units will lapse and will not be distributed among the participants.

Purpose of LTI 2024

The Board of Directors considers it important, and in the interest of all shareholders, to align the interests of key personnel with the shareholders' interest in a good development of the Gränges share value over the long-term. The Board of Directors further believes that a share-based long-term incentive program creates such an alignment of interests, while also enhancing the possibility to attract, recruit and retain key personnel.

Costs for LTI 2024

LTI 2024 has been prepared in consultation with external advisors and the costs for this advice are estimated to amount to no more than SEK 0.5 million. In addition to the cost for this advice, certain administrative costs are expected to arise which are expected to have a marginal impact on the company's key figures.

The Warrant Part is not estimated to entail any net costs for the company as the subsidy paid by the company in the amount of SEK 19 million, including social contributions of 31 percent, will correspond to the option premium paid by the participants[6].

Costs related to the Restricted share unit part are estimated to amount to maximum SEK 38 million, excluding social contributions, accounted in accordance with IFRS 2 based on the following assumptions: (i) that 500,000 restricted share units are allotted, (ii) that the share price, at the beginning of LTI 2024, is SEK 105 per share, (iii) an annual dividend of SEK 3.00 per share and (iv) an estimated annual turnover of personnel of 7 percent. Based on the same assumptions as above, and subject to social contributions of 31 percent, and a share price increase of 10 percent until the ending point of 2025, 20 percent until the ending point of 2026 and 30 percent until the ending point of 2027, the costs for social contributions are estimated to amount to SEK 14 million. The total cost, including costs according to IFRS 2, is therefore estimated to a maximum of SEK 52 million. Should the Board of Directors however exercise its authorization to enter into share swap agreements with third parties to hedge the company's financial exposure relating to the Restricted share unit part, it is estimated that the swap arrangements would entail additional costs for the company in the amount of maximum SEK 4 million.

In total, the maximum cost of LTI 2024 is estimated to amount to SEK 17 million per year.

Dilution from LTI 2024

Based on the number of shares and votes in the company as of the date of the notice, the dilution as a result of the Warrant Part, assuming that all warrants are exercised for subscription of shares will be approximately 0.9 percent of both the shares and the votes. The percentage dilution has been calculated according to the formula (number of new shares / total number of shares after exercise of warrants). The Restricted share unit part will not result in any dilution.

Other outstanding share-related incentive programs

In order to stimulate long-term involvement, senior managers were offered long-term incentive programs (LTI 2021, LTI 2022 and LTI 2023) following the adoption of the resolutions by the Annual General Meetings for 2021, 2022 and 2023. The programs are for a term of three years. An amount corresponding to the payout to the participant from the STI program for the respective year is invested in restricted share units (in previous documentation referred to as synthetic shares). The restricted share units are settled in cash and vested over a period of three years conditional upon the participant's continued employment with Gränges. Senior managers and other members of the Group Management were in 2020, 2022, and 2023 offered to participate in a long-term investment program (IP 2020, IP 2022, and LTI 2023), which are investment program aimed at increasing exposure to the Gränges share. The participants invested an amount in call options and shares (IP 2020) and warrants (IP 2022 and LTI 2023) and received in connection thereto a subsidy which, after tax, amounts to 50 percent of the invested amount. If the participant has resigned or the participant's employment has been terminated within three years from the date of payment of the subsidy, the subsidy must be repaid to Gränges. Overall, the outstanding share-related incentive programs are considered to have contributed to align the interests of the participants in the programs with the shareholders' interest in a good development of Gränges share value over the long term. The programs has also enhanced the possibility for Gränges to attract, recruit and retain key personnel. This is something that is considered to have been beneficial for Gränges' shareholders.

The Board of Directors' proposal regarding adopting a long-term incentive program in the form of a combination of call options and restricted share units (item 14b)

If the Annual General Meeting does not resolve in accordance with the Board of Directors' proposal regarding adopting a long term incentive program in the form of a combination of warrants and restricted share units in accordance with item 14a above, the Board of Directors proposes that the Annual General Meeting resolves to approve that the company transfers a maximum of 1,000,000 call options and 500,000 restricted share units in accordance with the following terms and conditions.

A. The call option part

Terms and conditions for the call options

As part of LTI 2024, not more than 1,000,000 call options shall be issued, mainly in accordance with the following terms and conditions.

1. Not more than 1,000,000 call options shall be issued, which corresponds to approximately 0.9 percent of the total number of shares and votes in the company as of the date of the notice. The Call Option Part does not entail any dilution for existing shareholders as it is based on call options regarding already issued shares in the company.
2. The right to acquire the call options shall be granted to approximately 50 senior managers and other key individuals in the company and its subsidiaries in accordance with the distribution set out under the heading "Allocation of call options and restricted share units" below.
3. The call options shall be acquired at a premium corresponding to the market value of the call options calculated in accordance with the Black & Scholes option valuation model[7].
4. Notification of acquisition of call options shall be made no later than August 31, 2024. The Board of Directors shall have the right to extend the subscription period.
5. Each call option entitles a right to acquire one (1) share in the company at an exercise price established by the company, or by an independent appraiser or auditor firm retained by the company, corresponding to 115 percent of the volume-weighted average price of the company's share on Nasdaq Stockholm during the ten (10) trading days immediately preceding the offer to acquire the call options. The exercise price shall be rounded to the nearest one-hundredth of a Swedish krona (SEK 0.01). SEK 0.005 will be rounded up.
6. Acquisitions of shares upon on exercise of the call options shall be made during a period of ten (10) trading days from the date of publication of each respective interim report below.
 - the interim report for the period April 1 – June 30, 2027;
 - the interim report for the period July 1 – September 30, 2027;
 - the interim report for the period October 1 – December 31, 2027; and
 - the interim report for the period January 1 – March 31, 2028.

In the event that the company has not published an interim report for the period January 1 – March 31, 2028 before May 31, 2028, the option holders shall be entitled to acquire shares during a period as of June 1, 2028 up to and including June 12, 2028. Acquisitions of shares upon exercise of the call options shall take place with regard to the insider legislation in force at any given time.

7. The call options are freely transferable. The acquisition of call options shall be conditional on the participant entering into an option agreement with the company, according to which the participant is obliged to offer the company to acquire the call options in certain situations. Such an agreement shall also include a right for the company to repurchase part of the call options from the option holder for the market value in order to contribute to the holder's financing at the time of the exercise of the call options.
8. The exercise price as well as the number of shares in the company that each call option entitles to may be recalculated in accordance with stock market principles due to, among other things, bonus issue, reverse split or split of shares, new issues, extraordinary dividends, reduction of the share capital or similar measures so that the participant receives equivalent rights as before the event. The exercise price and the number of shares that each call option entitles to may also be recalculated in the event that the Board of Directors decides to apply a so-called Net strike formula, which means that the participant may subscribe for fewer shares at the quota value of the shares when exercising the call options. Furthermore, the time for exercising the call options may be brought forward or postponed in certain cases. For example, the time of exercise of the call options may be brought forward in the event of a public takeover bid.
9. In order to encourage participation in the program, a subsidy may be paid which, after deduction of tax and other applicable fees, amounts to 50 percent of the premium paid for each call option ("Net Contribution"). If the participant has terminated his employment or been terminated within three years of the payment of the option premium, an amount corresponding to the Net Contribution shall be repaid to Gränges. The same applies if the participant has disposed of call options acquired under LTI 2024 within a period of three years from the payment of the option premium. However, the repayment obligation shall be reduced in relation to how long the participant has worked in Gränges during the term of the call options and in relation to the number of disposed call options.
10. The issue of call options to employees outside Sweden is subject to any tax effects, that there are no legal obstacles and that the Board of Directors considers that such allocation can be made with reasonable administrative and financial resources. The Board of Directors shall have the right to make such minor adjustments to the Call Option Part as are prompted by applicable foreign laws and regulations. The Board of Directors shall also have the right to resolve that participants instead be offered the opportunity of a similar cash-based alternative.
11. No new shares will be issued by the company in respect of the shares that may be acquired by the participants through the exercise of issued call options. The shares will instead be delivered by authorizing the Board of Directors to, on one or more occasions, enter into one or more share swap agreements with third parties on market terms, through which the third party in its own name acquires and transfers shares to the participants. Share swap agreements also aim to hedge the financial exposure in the event that employees outside of Sweden are offered a similar cash-based alternative to the program, and the other possible risks that arise from the Call Option Part.
12. Within the framework of the above-mentioned terms and conditions and guidelines, the Board of Directors shall be responsible for the detailed establishment and management of the Call Option Part.

B. The Restricted share unit part

The terms of the restricted share units shall be the same as described in proposal 14a above.

Allocation of call options and restricted share units

The allocation principles for call options and restricted share units shall be the same as described in proposal 14a above.

Purpose of LTI 2024

The purpose of LTI 2024 shall be the same as described in proposal 14a above.

Costs for LTI 2024

LTI 2024 has been prepared in consultation with external advisors and the costs for this advice are estimated to amount to no more than SEK 0.5 million. In addition to the cost for this advice, certain administrative costs are expected to arise which are expected to have a marginal impact on the company's key figures.

Costs related to the Call Option Part are estimated to amount to maximum SEK 15 million, mainly related to the costs for the Board of Directors for entering into share swap agreements with third parties to deliver shares. The subsidy in the amount of SEK 19 million is not estimated to entail any net costs for the company as the subsidy, including social contributions of 31 percent, will correspond to the option premium paid by the participants[8].

Costs related to the Restricted share unit part are estimated to amount to maximum SEK 38 million, excluding social contributions, accounted in accordance with IFRS 2 based on the following assumptions: (i) that 500,000 restricted share units are allotted, (ii) that the share price, at the beginning of LTI 2024, is SEK 105 per share, (iii) an annual dividend of SEK 3.00 per share and (iv) an estimated annual turnover of personnel of 7 percent. Based on the same assumptions as above, and subject to social contributions of 31 percent, and a share price increase of 10 percent until the ending point of 2025, 20 percent until the ending point of 2026 and 30 percent until the ending point of 2027, the costs for social contributions are estimated to amount to SEK 14 million. The total cost, including costs according to IFRS 2, is therefore estimated to a maximum of SEK 67 million. Should the Board of Directors however exercise its authorization to enter into share swap agreements with third parties to hedge the company's financial exposure relating to the Restricted share unit part, it is estimated that the swap arrangements would entail additional costs for the company in the amount of maximum SEK 4 million.

In total, the maximum cost of LTI 2024 is estimated to amount to SEK 22 million per year.

Dilution from LTI 2024

LTI 2024 will not result in any dilution.

Other outstanding share-related incentive programs

The other outstanding share-related incentive programs are the same as described in proposal 14a above.

Resolution on issue authorization (item 15)

The Board of Directors proposes that the General Meeting passes a resolution on issue authorization according to the following:

The Board of Directors is to be authorized to, on one or more occasions until the next Annual General Meeting, issue new shares and/or convertible bonds as follows.

An issue of new shares and/or convertible bonds can be decided with or without regard to shareholders' pre-emption rights. The number of shares issued, or which may be issued by conversion of convertible bonds issued pursuant to the authorization, may correspond to a maximum of 10 percent of the total number of shares in the company after utilization of the authorization.

This authorization is to include the right to issue shares and/or convertible bonds with cash payment, payment by contribution in kind or payment by way of set-off, and otherwise subject to conditions as set out in Chapter 2, section 5, second paragraph 1–3 and 5 of the Swedish Companies Act. An issue of shares and/or convertible bonds without regard to pre-emption rights for the shareholders with cash payment or payment by way of set-off must take place on market conditions.

The reason for the proposal and the possibility to disapply the shareholders' pre-emption rights is to allow for flexibility in connection with any acquisitions or the raising of capital.

The Board of Directors, or a party designated by the Board, has the right to decide on minor changes to the General Meeting's resolution that may be necessary in connection with registration of the resolution with the Swedish Companies Registration Office or due to other formal requirements.

Special majority requirement

A resolution in accordance with item 14a on the agenda, on the adoption a long-term incentive program in the form of a combination of warrants (actual or synthetic) and restricted share units, requires that the resolution is supported by shareholders with at least nine-tenths (9/10) of both the votes cast and the shares represented at the General Meeting.

A resolution in accordance with item 14b on the agenda, on a long-term incentive program in the form of a combination of call options and restricted share units, is conditional on the General Meeting not resolving in accordance with the Board of Directors' proposal under item 14a on the agenda. For a resolution in accordance with the proposal under item 14b on the agenda, the resolution must be supported by shareholders with more than half of both the votes cast and the shares represented at the General Meeting.

For a decision according to item 15 on issue authorization, to be valid, the proposal must be supported by shareholders holding at least two thirds of both the votes cast and the shares represented at the General Meeting.

Documents

All documents in accordance with the Swedish Company's Act (2005:551) will be available at the company and on the company's website, www.granges.com, no later than as from Wednesday, April 17, 2024, and will be sent, immediately and free of charge to the recipient, to those shareholders who so request and state their postal address.

Information

If so requested by any shareholder and if the Board of Directors deems it possible without significant detriment to the company, the Board of Directors and managing director must provide information at the General Meeting about circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial situation, the group accounts and the company's relation to other companies within the group. Shareholders who wish to submit questions in advance may send them to CFO Oskar Hellström, at the address Gränges AB, Box 5505, 114 85 Stockholm, Sweden.

Number of shares and votes

The total number of shares in the company as of the issue date for the notice of the General Meeting is 106,308,618 shares, which is equivalent to 106,308,618 votes. As of the same date, the company is holding no shares in treasury.

Processing of personal data

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

Stockholm in March 2024

Gränges AB (publ)

The Board of Directors

[1] For a description of the Navigate plan, please see pages 14–23 in the Annual Report for the financial year 2023.

[2] The market value of the warrants amounts to SEK 17.85 per warrant, in accordance with a preliminary valuation made based on a market value on the underlying share corresponding to SEK 105.00 per share and assuming an exercise price of SEK 120.75 per share. The Black & Scholes valuation model has been used for valuation of the warrants, assuming a risk-free interest of 2.81 percent and a volatility of 33.0 percent.

[3] Except for the individual holding the position of President Gränges Americas for which the total combined cash payment may not exceed 200 percent of the participant's annual base salary in the year of payment.

[4] Except for the individual holding the positions of President Gränges Americas and President Gränges Asia for which the maximum value of the restricted share units is 100 and 80 percent of the participant's annual base salary of 2024, respectively.

[5] Except for participants employed in the USA for which the maximum value of the restricted share units is 50 percent of the participant's annual base salary of 2024.

[6] After deduction of tax and other applicable fees that the participants are subject to, the subsidy will amount to 50 percent of the option premium.

[7] The market value of the call options amounts to SEK 17.85 per call options, in accordance with a preliminary valuation made based on a market value on the underlying share corresponding to SEK 105.00 per share and assuming an exercise price of SEK 120.75 per share. The Black & Scholes valuation model has been used for valuation of the call options, assuming a risk-free interest of 2.81 percent and a volatility of 33.0 percent.

[8] After deduction of tax and other applicable fees that the participants are subject to, the subsidy will amount to 50 percent of the option premium.

For further information, please contact:

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About Gränges

Gränges is a global leader in aluminium rolling and recycling in selected niches. We're committed to creating circular and sustainable aluminium solutions in partnership with our customers and suppliers - for a better future. Our solutions help customers grow and transition to climate neutrality. They are used for efficient climate control in transportation and buildings, electrification and battery components, recyclable packaging, and more. Gränges has production facilities and conducts sales in the regions Americas, Asia, and Europe with 2,700 employees and a total annual production capacity of 610 ktonnes. The share is listed on Nasdaq Stockholm (GRNG). More information is available at www.granges.com.

Attachments

[Notice of the Annual General Meeting for Gränges AB](#)