



## Notice of Annual General Meeting in Veg of Lund AB (publ)

*This is an unofficial translation of the original Swedish notice. In case of discrepancies, the Swedish version shall prevail.*

**The shareholders of Veg of Lund AB (publ) reg. no. 559054-4655 (the “Company”) are hereby summoned to attend the Annual General Meeting (the “AGM”) on 11 May 2022 at 3:00 p.m. CEST at Fredersen Advokatbyrå’s premises, Turning Torso in Malmö, Sweden. Registration starts at 2:30 p.m. CEST.**

### **Right to participate**

Shareholders that wish to participate in the AGM shall be registered in the share register maintained by Euroclear Sweden AB no later than on 3 May 2022 and shall have notified the Company of their intention to participate at the AGM no later than on 5 May 2022. Notice to participate shall be given in writing by e-mail to [vegoflund@fredersen.se](mailto:vegoflund@fredersen.se) or by post to Veg of Lund AB, c/o Fredersen Advokatbyrå AB, Turning Torso, SE-211 15 Malmö, Sweden. The notice shall contain the shareholder’s name, personal identity number or registration number and telephone number and, where applicable, the number of advisors (maximum two).

### **Nominee-registered shares**

Shareholders whose shares are registered in the name of a nominee/custodian must register their shares in their own names in order to be entitled to participate in the AGM. Such registration, which may be temporary, must be effected no later than on 5 May 2022 and shareholders must, therefore, instruct their nominees well in advance thereof.

### **Proxy**

If a shareholder wishes to be represented by proxy, a power of attorney shall be issued to the proxy. The power of attorney is to be in writing, dated and duly signed by the shareholder. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be included with the notification. Please provide the power of attorney in original as well as certificate of incorporation and other documents of authority to the Company to the address mentioned above well in advance before the AGM. If the power of attorney and other documents of authority have not been provided in advance, these documents must be presented at the AGM. Power of attorney forms are available at the Company and on the Company’s website, [ir.vegoflund.se](http://ir.vegoflund.se), and will be sent upon request to any shareholder who states their postal address.

### **Proposal of 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 as to whether the meeting has been duly convened
7. Presentation of the annual report and the auditor’s report



8. Resolution on
  - a) adoption of the profit and loss account and the balance sheet
  - b) allocation of the Company's result according to the consolidated balance sheet
  - c) discharge from liability for the Board members and the CEO
9. Resolution as to the number of Board members and auditors
10. Resolution on the remuneration to the Board of Directors and auditor
11. Election of Board members
  - 11.1 Håkan K Pålsson (re-election)
  - 11.2 Anders Hättmark (re-election)
  - 11.3 Eva Tornberg (re-election)
  - 11.4 Linda Neckmar (re-election)
  - 11.5 Roger Johansson (re-election)
  - 11.6 Magnus Nordin (re-election)
  - 11.7 Fred Holmberg (new election)
12. Election of chairman of the Board  
Håkan K Pålsson (re-election)
13. Election of auditor
14. Resolution regarding principles for appointment of Nomination Committee
15. Resolution to adopt a long-term incentive program for employees and consultants in the Company
16. Resolution to adopt a long-term incentive program for Board members of the Company
17. Resolution on authorization for the Board of Directors to issue shares, warrants or convertibles
18. Resolution on authorization for the CEO to perform minor adjustments to the resolutions
19. Closing of the meeting

## Proposals

### ***The Nomination Committee's proposals (item 2 and 9–14)***

The Nomination Committee which has consisted of Kaj Söderström (Chairman) (representing Reosurf AB), Anders Hättmark (representing Confidera Syd Aktiebolag), Torbjörn Malmsjö, and Håkan K Pålsson (Chairman of the Board), proposes the AGM to resolve:

that Filip Funk is elected chairman of the AGM,

that the Board of Directors shall consist of seven Board members,

that one registered audit firm is elected as auditor of the Company,

that remuneration to the Board shall be 6 price base amounts as of 2022 (3 price base amounts as of 2021) to the Chairman of the Board and 6 price base amounts as of 2022 (1,5 price base amounts as of 2021) each to the Board members, to be divided between them according to the Board's decision,

that remuneration to the auditor shall be in accordance with approved invoicing,

that Håkan K Pålsson, Anders Hättmark, Eva Tornberg, Linda Neckmar, Roger Johansson, and Magnus Nordin are re-elected as Board members, and that Fred Holmberg is elected as new member of the Board, for the period until the end of the next AGM,

that Håkan K Pålsson is re-elected as Chairman of the Board,

that KPMG AB is elected as audit firm with the principal auditor Therese Johansson, and

that the following principles for the appointment of the Nomination Committee shall apply for the Nomination Committee ahead of the AGM 2023:

The Nomination Committee shall consist of three members. The three largest shareholders who are registered with Euroclear Sweden AB per the last day in September of the year before the meeting



are to be contacted by the Company's Chairman of the Board and have the right to each appoint a member of the Nomination Committee. After the owners have been contacted, they must state within 14 days whether they wish to participate in the Nomination Committee's work. If any of the three largest shareholders refrains from appointing a member of the Nomination Committee, the next shareholder in the order of magnitude shall be asked to appoint a member and must then within one week give notice of participation. Unless three shareholders have stated that they wish to participate after the Company's six largest shareholders have been contacted in this way, the Nomination Committee may consist of fewer members. The Chairman of the Board convenes the first meeting but shall not form part of the Nomination Committee. The Chairman of the Board shall be available to the Nomination Committee in the event of questions. In the event of known significant changes in ownership that take place earlier than eight weeks before the AGM, the composition of the Nomination Committee shall be changed in accordance with the principles stated above. Fees to the members of the Nomination Committee shall not be paid. Reimbursement is, however, paid for reasonable expenses in connection with the assignment. No later than six weeks before the AGM, the Nomination Committee shall submit proposals regarding: Chairman of the meeting, Chairman and other Board members and any Deputy Board members, fees to the Chairman and other Board members, election of auditor and fee to auditor and, where applicable, amendments to these instructions.

#### Information on Board members proposed for new election

Fred Holmberg (born 1956) has extensive experience in entrepreneurship, business management and board work. The focus of his assignments has been business development and establishment of global sales and distribution. Fred Holmberg studied chemistry engineering, started his own business in 1993 and was active in chemical supply in northern Europe. Up until the Company was sold in 2015, he built a global network with customers and partners. Fred Holmberg works as a consultant and is currently Chairman of the Board of the distribution company Swed Handling AB and a Board member of Torekov by the sea AB, and Scandinavian Oil Services AB. Fred Holmberg contributes to Veg of Lund with his skills and experience as an entrepreneur and business developer. He has extensive experience from sales and global distribution.

Independent in relation to the Company, the Company's management, and in relation to major shareholders in the Company. Holds no shares in the Company.

#### ***The Board's proposals***

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

The Board of Directors proposes that no dividend for the financial year 2021 is to be paid.

##### ***The Board of Directors' proposal to adopt a long-term incentive program for employees and consultants in the Company (item 15)***

The Board of Directors proposes that the AGM resolves to issue not more than 500,000 warrants within the scope of a long-term incentive program for employees and consultants within Veg of Lund as follows.

In total, the incentive program will comprise not more than 15 individuals. The incentive program entails that employees and consultants within Veg of Lund are offered to acquire warrants at market value calculated according to the Black-Scholes valuation formula. Furthermore, future employees and consultants can be invited to acquire warrants at market value.

Each warrant shall entitle the holder to subscribe for one new share in Veg of Lund, during the period from and including 1 May 2025 to and including 31 May 2025, at an exercise price



corresponding to 150 percent of the volume weighted average price of the Company's share during the period of ten trading days immediately preceding the offer to acquire warrants, however, not less than the quota value of the Company's share.

The price per warrant upon transfer to the participants shall be determined by an independent valuation institute as appointed by the Company and correspond to the market value of the warrant at the time of the acquisition, calculated in accordance with the Black-Scholes valuation model. Based on a share price of SEK 14.20, the market value of the warrants has been preliminarily calculated at SEK 1.81 per warrant.

The number of shares that each warrant entitles to, as well as the exercise price, will be recalculated should the Company resolve on a share split, consolidation of shares, issue, etc. in accordance with customary recalculation conditions. The full terms and conditions for the warrants shall apply in all other aspects, as set out in Appendix A.

The last day for acquisition of warrants shall be the day prior to the AGM 2023.

To be entitled to participate in the incentive program, the participant must have entered into an advance purchase agreement with Veg of Lund, whereby Veg of Lund, with certain exceptions, reserves the right to repurchase warrants if the participant's employment or assignment in Veg of Lund ends or if the participant in turn wishes to transfer the warrants before the warrants can be exercised.

#### *Allocation of warrants*

The right to acquire warrants shall accrue to a maximum of 15 employees and consultants, including the CEO, within Veg of Lund, provided that they have entered into an advance purchase agreement with the Company.

The Company's Board members shall not be included in the program.

#### *Costs and dilution*

The warrants will be transferred at market value, which means that no social security contributions are to be paid by Veg of Lund due to the acquisition of the warrants.

The incentive program is only expected to have a marginal effect on the Company's key ratios.

Based on the number of shares in Veg of Lund per day of the notice to the AGM, the maximum dilution effect of the warrant program will be approximately 3.8 percent. Taking into account also shares that can be issued in accordance with previously implemented incentive programs in the Company, as well as the proposed incentive program for Board members in the Company, the maximum dilution amounts to approximately 9.0 percent.

For a description of the Company's other long-term incentive programs, please visit Veg of Lund's website, [ir.vegoflund.se](http://ir.vegoflund.se).

#### *The rationale for the incentive program*

The Board of Directors considers that a share-related incentive program is an important part of a competitive remuneration package to attract and motivate key people, as well as maximize value for all shareholders. The Board of Directors further considers that the warrant program will increase the participants' involvement in the Company's operations, strengthen the loyalty to the



Company and be in favor of both the Company and its shareholders.

#### *Preparation of the proposal*

The incentive program has been prepared by the Board of Directors in consultation with external advisers. The proposal has been reviewed at meetings of the Board of Directors during the spring of 2022.

#### ***The Nomination Committee's proposal to adopt a long-term incentive program for Board members of the Company (item 16)***

The Nomination Committee for Veg of Lund AB ("Veg of Lund" or the "Company"), excluding the Chairman of the Board, (when reference is made to the "Nomination Committee" in this proposal, it refers to the Nomination Committee excluding the Chairman of the Board) proposes that the AGM resolves to issue a maximum of 75,000 warrants within the scope of a long-term incentive program for certain Board members in Veg of Lund as follows.

The incentive program includes three of the Board members who are proposed for election at Veg of Lund's AGM, Håkan K Pålsson, Magnus Nordin and Fred Holmberg. The incentive program entails that participants are offered to subscribe for warrants at market value calculated according to Black-Scholes valuation formula.

Each warrant shall entitle the holder to subscribe for one new share in the Company, during the period from and including 1 May 2025 to and including 31 May 2025, at an exercise price corresponding to 150 percent of the volume weighted average price of the Company's share during the period of ten trading days immediately after the publication of the Company's quarterly report for the period 1 January–31 March 2022, however, not less than the quota value of the Company's share.

The price per warrant upon transfer to the participants shall be determined by an independent valuation institute as appointed by the Company and correspond to the market value of the warrant at the time of the acquisition, calculated in accordance with the Black-Scholes valuation formula. Based on a share price of SEK 14.20, the market value of the warrants has been preliminarily calculated at SEK 1.81 per warrant.

The number of shares that each warrant entitles to, as well as the exercise price, will be recalculated should the Company resolve on a share split, consolidation of shares, issue, etc. in accordance with customary recalculation conditions. The full terms and conditions for the warrants shall apply in all other aspects, as set out in Appendix A.

To be entitled to participate in the incentive program, the participant must have entered into an advance purchase agreement with Veg of Lund, whereby Veg of Lund, with certain exceptions, reserves the right to repurchase warrants if the participant's employment or assignment in Veg of Lund ends or if the participant in turn wishes to transfer the warrants before the warrants can be exercised.

#### *Allocation of warrants*

The right to acquire warrants shall accrue to the Board members Håkan K Pålsson, Magnus Nordin and Fred Holmberg, provided that the participant has entered into an advance purchase agreement with the Company, whereby the Chairman of the Board, Håkan K Pålsson, shall be offered to acquire a maximum of 37,500 warrants, and Magnus Nordin and Fred Holmberg a maximum of 18,750 warrants each.



### *Costs and dilution*

The warrants will be transferred at market value, which means that no social security contributions are to be paid by Veg of Lund due to the acquisition of the warrants.

Based on the number of shares in Veg of Lund per day of the notice to the AGM, the maximum dilution effect of the warrant program will be approximately 0.6 percent. Taking into account also shares that can be issued in accordance with previously implemented incentive programs in the Company, as well as the proposed incentive program for employees and consultants in the Company, the maximum dilution amounts to approximately 9.0 percent.

For a description of the Company's other long-term incentive programs, please visit Veg of Lund's website, [ir.vegoflund.se](http://ir.vegoflund.se).

The incentive program is only expected to have a marginal effect on the Company's key ratios.

### *The rationale for the incentive program*

The Nomination Committee considers that a share-related incentive program is an important part of a competitive remuneration package to attract and motivate competent Board members, as well as maximize value for all shareholders. The Nomination Committee further considers that the warrant program will increase the Board members' involvement in the Company's operations, strengthen the loyalty to the Company and be in favor of both the Company and its shareholders.

### *Preparation of the proposal*

The incentive program has been prepared by the Nomination Committee, whereby the Board has been instructed to include the proposal in the notice.

### ***Resolution on authorization for the Board of Directors to issue shares, warrants or convertibles (item 17)***

The Board of Directors proposes that the AGM authorizes the Board of Directors to, on one or several occasions during the period up to the next AGM, resolve on new issues of shares, warrants or convertibles, with or without deviation from the shareholders' pre-emption rights. Payment may be made in cash, through set-off, with capital contributed in kind, or otherwise as per conditions pursuant to Chapter 2, section 5, second paragraph, items 1–3 and 5 of the Swedish Companies Act. The number of shares that can be issued, or, in the event of an issue of warrants or convertibles, added after exercise or conversion, with the support of the authorization shall not be limited in any other way than by the limits for the share capital and number of shares, as set forth from time to time in the registered Articles of Association.

The purpose of the authorization is to increase the Company's financial flexibility and the Board's discretion. If the Board of Directors resolves on an issue with deviation from the shareholders' pre-emption rights, the reason shall be to raise working capital, broadening the ownership of the Company, procuring capital for company acquisitions, or to fulfil obligations in cooperation agreements.

### ***Resolution on authorization for the CEO to make minor adjustments to the resolutions (item 18)***

The Board of Directors proposes that the AGM resolves to authorize the CEO, or the person appointed by the CEO, to make minor adjustments and clarifications of the resolutions adopted by the AGM to the extent that such should be required for the registration and execution of the resolutions.

**Majority requirements**

Resolutions in accordance with items 15 and 16 above require approval of at least nine tenths (9/10) of the shares represented and votes cast at the AGM. Resolutions in accordance with item 17 above require approval of at least two thirds (2/3) of the shares represented and votes cast at the AGM.

**Further information**

As per the date of the issue of this notice, the total number of shares and votes in the Company are 12,815,201. The Company does not hold any own shares.

The annual report, audit report, postal notification and proxy forms, the Board's complete proposals as well as complete underlying documentation will be made available by the Company and at the Company's website at least three weeks before the AGM. The documents will be sent to shareholders who request it and who provide their postal address.

The shareholders are reminded of their right of information according to Chapter 7 Section 32 of the Swedish Companies Act (Sw: aktiebolagslagen).

The Company has its registered office in Malmö, Sweden.

**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>

Malmö, April 2022

**Veg of Lund AB (publ)**

*The Board of Directors*

**For more information, please contact:**

Veg of Lund AB

*Emma Källqvist (Acting CEO and CFO)*

*Telephone: +46 721 869 018*

*E-mail: [emma.kallqvist@vegoflund.se](mailto:emma.kallqvist@vegoflund.se)*

**About Veg of Lund AB (publ)**

Veg of Lund develops unique plant-based foods meeting consumers' demands for taste and sustainability. The company has roots in research at Lund University and owns patented methods for developing new food categories in the fast-growing market for plant-based foods. Veg of Lund's climate-smart and tasty products are sold in Europe and Asia under the DUG® brand. The company's share is listed on the Nasdaq First North Growth Market under ticker VOLAB. Read more at [ir.vegoflund.se](http://ir.vegoflund.se). Mangold Fondkommission AB is the company's Certified Adviser and can be contacted via telephone: +46 8 5030 15 50 or e-mail: [ca@mangold.se](mailto:ca@mangold.se).