



## PRESS RELEASE

7 April 2022

### **Notice of Annual General Meeting of Shareholders in Alligo AB (publ) on 11 May 2022**

The shareholders in Alligo AB (publ), corporate registration number 559072-1352 ("Alligo" or the "Company"), are hereby convened to the Annual General Meeting of Shareholders at 10:00 on Wednesday, 11 May 2022 at Kapitel 8, Klarabergsviadukten 90, Stockholm. Registration for the meeting will commence at 09:30.

#### **REGISTRATION AND NOTIFICATION**

Shareholders who wish to participate in the Annual General Meeting must

- be recorded in the shareholders' register maintained by Euroclear Sweden AB not later than Tuesday, 3 May 2022, and,
- file notice of their intention to participate with the Company's head office not later than Thursday, 5 May 2022; by mail at "Annual General Meeting 11 May 2022", Alligo AB, Box 631, 135 26 Tyresö, Sweden; by telephone +46 8 727 27 20; or by e-mail [bolagsstamma@alligo.com](mailto:bolagsstamma@alligo.com).

Notices must contain information about the shareholders' name, personal identity number (corporate registration number), address, telephone number, number of shares and the names of any assisting counsel (maximum of two). Personal data obtained from the shareholders' register maintained by Euroclear Sweden AB, the notice filed and participation in the Extraordinary General Meeting as well as information on deputies, proxies and assisting counsel will be used for registration, the preparation of the electoral register for the Meeting and, where applicable, the minutes of the Extraordinary General Meeting. Personal data is handled in accordance with the Data Protection Regulation (European Parliament and Council Regulation (EU) 2016/679), applicable from 25 May 2018. Read more about Alligo's processing of personal data in the Company's privacy policy, which is available at the Company's website, [alligo.com](http://alligo.com).

To be entitled to participate in the Meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to providing notification of their participation to the Annual General Meeting, register the shares in their own name so that the shareholder is registered in the shareholders' register on the record date of Tuesday, 3 May 2022. This re-registration may be temporary (known as "voting rights registration") and is carried out through the nominee according to their procedures at a time predetermined by the nominee. Voting rights registration that has been completed by the nominee not later than Thursday, 5 May 2022, will be recognised in the shareholders' register.

## **POSTAL VOTING**

The Board of Directors of the Company has decided that the shareholders at the Annual General Meeting shall be able to exercise their voting rights by post and e-mail in accordance with Section 4 of the Swedish Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. For postal voting, a special form must be used, which is available on the Company's website, [www.alligo.com](http://www.alligo.com). Shareholders who wish to exercise their voting right by post must submit the form for postal voting to the Company in accordance with the instructions stated in the form.

## **POWER OF ATTORNEY**

In the case of participation by proxy authorised by a power of attorney, a written and dated power of attorney signed by the shareholder and other relevant authorisation documents are to be presented. Representatives of legal entities must also submit a copy of the entity's certificate of incorporation or corresponding authorisation documents showing that they are authorised to represent the legal entity. A copy of the power of attorney and any certificate of incorporation should be delivered to the Company well in advance of the Meeting. The original copy of the power of attorney must also be presented at the Meeting.

The Company provides shareholders with a power of attorney form, which is available at the Company's head office or at the Company's website.

## **PROPOSED AGENDA**

1. Opening of the Meeting.
2. Election of the Chairman to preside over the Meeting.
3. Compilation and approval of Electoral Register.
4. Approval of the agenda proposed by the Board of Directors for the Meeting.
5. Election of one or two persons to approve the Minutes to be taken at the Meeting.
6. Determination of whether the Meeting has been duly convened.
7. Address by the President & CEO.
8. Presentation of the annual accounts and the auditor's report as well as the consolidated financial statements and the consolidated auditor's report, and an account by the Company's auditor.
9. Resolution regarding
  - a) adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet,
  - b) allocation of the Company's earnings in accordance with the duly adopted balance sheet, and,
  - c) discharge from liability for the members of the Board of Directors and the CEO.
10. Resolution regarding approval of the Board of Directors' remuneration report for 2021.
11. Report on the work of the Election Committee.
12. Determination of the number of Directors.
13. Determination of fees to the Board of Directors and the auditors.
14. Election of Board members and Chairman of the Board of Directors.
15. Election of registered accounting firm.
16. Election of members and Chairman of the Election Committee.

17. Resolution regarding amendment of the guidelines for determining remuneration and other terms of employment for senior management and resolution on a one-time bonus for 2022/2023.
18. Resolution regarding the issuance of call options for repurchased shares and the transfer of repurchased shares to key individuals in senior positions (“2022 Share-Based Incentive Programme”).
19. Resolution regarding authorisation for the Board of Directors to resolve on acquisition and transfer of own shares.
20. Resolution regarding authorisation for the Board of Directors to resolve to issue new shares up to 10 per cent of the number of shares to use as payment for acquisitions.
21. Closing of the Meeting.

#### **PROPOSALS BY THE ELECTION COMMITTEE FOR RESOLUTIONS REGARDING ITEMS 2 AND 12–15 IN ACCORDANCE WITH ABOVE**

The Annual General Meeting on 31 August 2020 resolved that the members of the Election Committee are to be nominated by the major shareholders in the Company, whereby the four largest shareholders in the Company, in terms of votes according to the shareholders’ register maintained by Euroclear Sweden on the final banking day in February, are entitled to nominate one member each. The nominated members (including the Chairman of the Election Committee) are to be elected as members of the Election Committee by the Company’s Annual General Meeting for the period up until the end of the next Annual General Meeting. In accordance with the above, the following individuals were elected to the Election Committee ahead of the 2022 Annual General Meeting: Chairman of the Election Committee Peter Hofvenstam (nominated by Nordstjernan), Stefan Hedelius (nominated by Tom Hedelius), Joachim Spetz (nominated by Swedbank Robur Fonder) and Lilian Fossum Biner (nominated by Handelsbanken Fonder).

The Election Committee, whose members represent approximately 69 per cent of the total number of votes, has announced that it will propose that the Annual General Meeting to be held on 11 May 2022 pass the following resolutions with respect to the items above:

#### **Item 2 Election of the Chairman to preside over the Meeting.**

Chairman of the Board Göran Näsholm (or in the event that he is unable to participate, an individual appointed by the Election Committee) is proposed as Chairman of the Meeting

#### **Item 12 Determination of the number of Directors.**

Six ordinary Directors without deputies.

#### **Item 13 Determination of fees to the Board of Directors and the auditors.**

Directors' fees for the financial years 2020 and 2021 were adjusted in line with the then ongoing work on the separate listing of the Components & Services business area (Momentum Group). For the financial year 2021, a total directors' fee of SEK 2,800,000 was paid. The Election Committee now proposes a total directors' fee of SEK 2,400,000 to be distributed as follows:

The Chairman of the Board of Directors: SEK 650,000 (previous year SEK 800,000)

Other Directors: SEK 300,000 SEK per Director (previous year SEK 380,000)

It is also proposed that the Chairman of the Audit Committee shall receive SEK 150,000 (previous year SEK 100,000) and the Chairman of the Remuneration Committee SEK 100,000 (previous year SEK 0).

A Director may, by special agreement with the Company and to the extent permitted by applicable law and current case law, invoice his or her fees plus social security contributions and VAT from a company owned by the Director or from his or her own private business, provided that such payment is cost-neutral for the Company.

Audit fees are, as in previous years, to be paid in accordance to approved invoices.

**Item 14 Election of Board members and Chairman of the Board of Directors.**

Re-election of current Board members Göran Näsholm, Stefan Hedelius, Cecilia Marlow, Johan Sjö and Christina Åqvist. Johan Eklund has requested to not be re-elected. It is also proposed that Pontus Boman is elected as new member of the Board.

Re-election of Göran Näsholm as Chairman of the Board.

Pontus Boman, born 1971, is Investment Director and responsible for the Distribution & Retail sector at Nordstjernan. Pontus was previously President and CEO of Bergman & Beving and prior to that he held senior positions in the B&B Tools Group, ESSVE, Boston Consulting Group and Accenture. Pontus holds a Master of Science degree in Mechanical Engineering from KTH. Pontus does not own any shares in the Company.

A presentation of the individuals proposed for re-election as Board members is available at the Company's website.

**Item 15 Election of registered accounting firm.**

Re-election of the registered accounting firm KPMG AB as auditors until the end of the 2023 Annual General Meeting. KPMG AB has informed the Election Committee that Helena Arvidsson Älgne intends to continue as auditor in charge. The Election Committee's proposal follows the Audit Committee's recommendation.

**PROPOSAL BY MAJOR SHAREHOLDERS FOR RESOLUTION REGARDING ITEM 16 IN ACCORDANCE WITH THE ABOVE**

**Item 16 Election of members and Chairman of the Election Committee.**

Alligo's major shareholders as of 28 February 2022 have announced that they will propose that the Annual General Meeting to be held on 11 May 2022 resolves to appoint the following members to the Election Committee in the Company ahead of the 2023 Annual General Meeting: Peter Hofvenstam (nominated by Nordstjernan), Stefan Hedelius (nominated by Tom Hedelius), Joachim Spetz (nominated by Swedbank Robur Fonder) and Lilian Fossum Biner (nominated by Handelsbanken Fonder), with Peter Hofvenstam as Chairman of the Election Committee.

**PROPOSALS BY THE BOARD OF DIRECTORS FOR RESOLUTIONS REGARDING ITEMS 3, 5, 9b, 10 AND 17–20 IN ACCORDANCE WITH THE ABOVE**

**Item 3           Compilation and approval of Electoral Register.**

The Electoral Register that is proposed for resolution is the Electoral Register that will be prepared by the Company, based on the shareholders' register prepared by Euroclear Sweden AB and the postal votes received, verified and approved by persons approving the minutes.

**Item 5           Election of one or two persons to approve the Minutes to be taken at the Meeting.**

The Board of Directors proposes that one person to approve the Minutes is appointed, and that a shareholder or proxy for a shareholder who is not a Board member or an employee of the Company in accordance with Rule 1.4 of the Swedish Code of Corporate Governance and who physically attends the Meeting is appointed to approve the Minutes.

**Item 9b          Resolution regarding allocation of the Company's earnings in accordance with the duly adopted balance sheet.**

The Board proposes that the Company's profit shall be disposed of so that SEK 88.3 million is distributed to the shareholders and the remaining SEK 1,758 million of the Company's profit is brought forward.

This means the Board proposes that SEK 1.75 per share shall be distributed to the shareholders and that Friday, 13 May 2022 shall be set as the record date for receiving dividends.

If the Annual General Meeting adopts the proposal, dividends are expected to be disbursed through Euroclear Sweden AB on Wednesday 18 May 2022 to the shareholders recorded in the shareholders' register as of the record date.

**Item 10          Resolution regarding approval of the Board of Directors' remuneration report for 2021.**

The Board of Directors proposes that the Annual General Meeting resolves to approve the Board's remuneration report for the remuneration paid in 2021 in accordance with Chapter 8, Section 53a of the Swedish Companies Act.

**Item 17          Resolution regarding amendment of the guidelines for determining remuneration and other terms of employment for senior management and resolution on a one-off bonus for 2022/2023.**

***Item 17(a)      Resolution regarding amendment of the guidelines for determining remuneration and other terms of employment for senior management***

The Board of Directors has reviewed the current guidelines for determining remuneration and other terms of employment for senior management and proposes that the Annual General Meeting resolves to amend the guidelines with respect to the criteria for variable remuneration and a clarification regarding share-based remuneration as follows.

| <b>Current wording</b>  | <b>Proposed wording</b>   |
|---|---|
| The variable remuneration shall be linked to one or more predetermined and measurable | The variable remuneration shall be linked to one or more predetermined and measurable |

|  |  |
|--|--|
| criteria set by the Board of Directors, which may be financial, such as the growth in earnings, profitability and cash flow of the Group and/or its area of responsibility, or non-financial, such as sustainability, customer satisfaction and quality. | criteria set by the Board of Directors, which may be financial, such as the growth of the Group's and/or its area of responsibility's performance, profitability and cash flow, or non-financial, such as customer satisfaction, quality, environment, working environment and safety. |
| -  | In the case of share-based payment, information on acquisition periods and, where applicable, information on the obligation to retain shares after a certain period after acquisition shall be disclosed.  |

In addition to the above, some drafting adjustments are proposed. The proposed guidelines in their entirety are set out below.

The Board of Directors of the Company proposes that the Annual General Meeting on 11 May 2022 resolves on guidelines for remuneration and other terms of employment for senior management as follows. The guidelines shall apply to remuneration agreed after the 2022 Annual General Meeting and to changes thereafter in remuneration already agreed. The guidelines do not apply to remuneration decided by the General Meeting of Shareholders. As regards employment relationships governed by other than Swedish rules and that refer to pension benefits and other benefits, appropriate adjustments may take place to comply with mandatory rules or established local standards, which should satisfy, as far as possible, the overarching purpose of these guidelines. Items stipulated for the Company also apply for the Group, where applicable.

**The guidelines promotion of the Company's business strategy, long-term interests and sustainability**

The successful implementation of the Company's business strategy and protection of the Company's long-term interests, including its sustainability, requires that Momentum Group can recruit and retain qualified employees. This requires that the Company can offer competitive total remuneration, which is made possible through these guidelines. Total remuneration is to be in line with market conditions and competitive and be linked to responsibility and authority.

**Forms of remuneration etc.**

Remuneration shall be in line with market conditions and shall consist of the following components: fixed salary, any variable salary according to separate agreement, pension and other benefits. A General Meeting of Shareholders may in addition – and independent of these guidelines – resolve on, for example, share and share price-based remuneration.

*Fixed salary*

The fixed salary shall consist of a fixed cash salary and be reviewed on an annual basis. The fixed salary shall be competitive and reflect the requirements placed on the role in terms of qualifications, responsibility, complexity and the manner in which it contributes to achieving the business targets. The fixed salary shall also reflect the performance of the senior executive and thus be individual and differentiated.

*Variable salary*

In addition to fixed salary, the President & CEO and other senior management may from time to time, by separate agreement, receive variable salary upon fulfilment of decided criteria. Any variable salary may consist of an annual cash salary, which may correspond to a maximum of 50 per cent of the fixed annual salary.

A fundamental balance must exist between fixed and variable salary to avoid unhealthy risk taking. The fixed salary is to account for a sufficient portion of the senior executive's total remuneration to allow the variable portion to be reduced to zero. The variable remuneration shall be linked to one or more predetermined and measurable criteria set by the Board of Directors, which may be financial, such as the growth of the Group's and/or its area of responsibility's performance, profitability and cash flow, or non-financial, such as customer satisfaction, quality, environment, working environment and safety. The targets link the senior executive's remuneration to the Company's earnings, and thus promote the implementation of the Company's business strategy, long-term value creation and competitiveness. The terms and bases of calculation of variable salary shall be determined for each financial year. Fulfilment of the criteria for payment of variable salary must be measurable over a period of one financial year. Variable salary is regulated the year after qualification.

The degree to which the criteria were met is assessed when the measurement period for fulfilling the criteria for the payment of variable salary ends. The Board of Directors is responsible for determining variable cash payments to the President & CEO. Variable cash payments to other senior executives are determined by the Remuneration Committee. As regards financial targets, the assessment should be based on the Company's latest published financial information.

The terms for variable salary should be designed so that the Board, in the event of exceptional financial conditions, is able to limit or refrain from disbursing variable salaries should such action be deemed reasonable. In drawing up variable remuneration for the Company's management, the Board must consider including provisions that

- (i) impose conditions on the payment of a portion of such remuneration requiring that the achievements on which the payment was based is shown to be sustainable over time; and
- (ii) enable the Company to reclaim such remuneration paid on the basis of information that is later shown to be manifestly erroneous.

Further variable cash payments may be paid in extraordinary circumstances, assuming that such extraordinary arrangements are of limited duration and are only introduced at an individual level either to recruit or retain senior executives, or as remuneration for extraordinary work duties beyond the individual's ordinary work duties. Such remuneration may not exceed an amount corresponding to 20 percent of the fixed annual salary and not be paid more than once per year and per individual. A decision on such remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee.

#### *Pension*

The President & CEO and other senior executives are covered by a defined-contribution pension, whose size depends on the outcome of the pension insurance policies taken out. Premiums for the defined-contribution pension must not exceed 40 percent of the fixed annual salary.

#### *Other benefits*

Other benefits, including company car, travel concessions, extra healthcare insurance and occupational health services, shall be in line with market conditions and only constitute a limited share of total remuneration. Premiums and other costs pursuant to such benefits shall amount to not more than 10 percent of the fixed annual salary in total.

### **Conditions in the case of termination**

All senior executives must observe a period of notice of up to 6 months if notice is given by the employee. If employment is terminated by the Company, the period of notice applied is up to 12 months. If employment is terminated by the Company, senior executives may be entitled, in addition to salary and other employment benefits during the period of notice, to severance pay corresponding to up to 12 months fixed salary. Severance pay is not offset against other income. No severance pay is to be paid if notice is given by the employee.

In addition to severance pay, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid when the former executive is not entitled to severance pay. Remuneration shall be based on the fixed salary paid on the date of termination and shall amount to not more than 60 percent of the fixed salary on the date of termination, subject to mandatory collective agreement provisions, and be paid for the period covered by the non-compete undertaking, which shall amount to not more than 12 months after the end of employment.

### **Salary and terms of employment**

In the preparation of the Board's proposal for these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total remuneration, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

### **Preparation and decision-making process**

The Board of Directors has decided to set up a Remuneration Committee. The Committee's duties include, inter alia, preparing principles for remuneration of senior executives and the Board's decision on proposals for guidelines for remuneration of senior executives. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting of Shareholders. The Remuneration Committee shall also monitor and evaluate the programme for variable remuneration of senior executives, the application of the guidelines for the remuneration of senior executives, as well as the current remuneration structures and compensation levels in the Company. Remuneration to the President & CEO shall be decided by the Board of Directors after being prepared and recommended by the Remuneration Committee, within the scope of established remuneration principles. Remuneration of other senior executives shall be decided by the Remuneration Committee, within the scope of established remuneration principles and after consulting with the President & CEO. The President & CEO and other senior executives do not participate in the Board's or Remuneration Committee's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

### **Share-related incentive programmes resolved by the General Meeting of Shareholders**

The Board of Directors shall each year assess the need for a share-based incentive programme and when necessary present proposals for a decision to the Annual General Meeting. A decision on any share and share price-based incentive programme addressed to senior executives shall be made by a General Meeting of Shareholders and contribute to long-term value growth. Senior executives may be offered an equivalent incentive to that which would have been paid under a share or sharebased incentive programmes, if such a programme is impracticable in the country where a senior executive is tax resident, or if in the Company's view such participation cannot take place at a reasonable administrative cost or economic contribution. In the case of share-based payment, information on acquisition periods and, where applicable, information on the obligation to retain shares after a certain period after acquisition shall be disclosed. The cost and investment for the Company and the incentive and financial outcome for such senior executives shall under such circumstances essentially correspond to the share or share price-based incentive programme.



### **Deviation from the guidelines**

The Board of Directors may temporarily resolve to deviate from the guidelines in part, if in a specific case there is special cause for the derogation and deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As stated above, the Remuneration Committee's duties include the preparation of the Board's decision on remuneration issues, which also refers to decisions on deviation from the guidelines. If the Board resolves to deviate from the guidelines, the decision shall be reported at the next Annual General Meeting.

### **Item 17(b) Resolution on a one-time cash bonus for the Group's President and CFO**

The Board of Directors proposes that the Group's President and CFO receive a one-time cash bonus in addition to any fixed and variable remuneration that may be received in accordance with the remuneration guidelines under item 17(a). The purpose of the bonus is to promote integration within the Group between Swedol and Tools. The bonus shall be equivalent to a maximum of one (1) annual salary (based on fixed salary) and shall be measured against the specific EBITA targets for 2022/2023 and other parameters determined by the Board of Directors.

### **Item 18 Resolution regarding the issuance of call options for repurchased shares and the transfer of repurchased shares to key individuals in senior positions ("2022 Share-Based Incentive Programme").**

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long-term incentive programme, known as the 2022 Share-Based Incentive Programme (the "Programme"). The Programme, which is proposed to include approximately 15 key individuals in senior positions in the Alligo Group, entails that participants will be offered an opportunity to acquire call options at market price for Alligo's repurchased Class B shares in the Company and that participants will receive a certain subsidy on the paid premium for the options after a two-year period.

The Board of Directors' proposal also entails that the Annual General Meeting approves that the Company, in deviation from the shareholders' preferential rights, will transfer up to 185,000 of the Company's repurchased Class B shares to the option holders at the established exercise price in connection with any exercise of the call options (subject to any recalculations).

The Company currently holds 425,300 Class B shares in Alligo AB.

The proposal was prepared by the Company's Remuneration Committee in consultation with the Company's Board of Directors. The decision to propose the Programme to the Annual General Meeting was taken by the Board of Directors. The Company's Board members are not covered by the Programme.

The Programme has the following key conditions:

- a) The number of call options issued should not exceed 185,000, corresponding to approximately 0.36 per cent of the total number of shares and approximately 0.33 per cent of the total number of votes in the Company (including shares owned by the Company). Each call option entitles its holder to acquire one (1) repurchased Class B share ("Share") in the Company on three occasions: 1) during the period starting 2 June 2025 up to and including 16 June 2025, 2) during the period starting 18 August 2025 up to and including 1 September 2025, and 3) during the period starting 3 November 2025 – 17 November 2025 (the "Exercise Periods"). However, the acquisition of Shares may not take place during such a period when trading in shares in the Company is prohibited in accordance with Regulation (EU) No 596/2014 on market abuse of the European Parliament and of the Council issued on 16 April

2014 (“Market Abuse Regulation”) (or other equivalent legislation prevailing at any given time).

- b) The acquisition price (“Exercise Price”) for Shares when redeeming call options is to correspond to 120 per cent of the volume-weighted average price for the Company’s Class B shares on Nasdaq Stockholm during the period starting 12 May 2022 up to and including 25 May 2022. Under certain circumstances, the Exercise Price may be recalculated over the duration of the call option programme. If the market price of the Company's Class B share at the time the call option is invoked exceeds 180 per cent of the average price during the period 12 May 2022 up to and including 25 May 2022, the exercise price shall be increased krona for krona by the amount exceeding 180 per cent.
- c) The right to acquire call options will apply to approximately 15 key individuals in senior positions in the Alligo Group in Sweden, Norway and Finland. The proportion of call options offered to each individual for acquisition will vary depending on the employee’s position and level of responsibility. Approximately 35 per cent of the call options may go to Group management and the remaining approximately 65 per cent of the call options may go to other key individuals.
- d) If an individual entitled to receive a call options refrains, in whole or in part, from acquiring the offered call options then such unacquired call options will be distributed between the individuals entitled to receive call options who have presented a written application stating that they are interested in acquiring additional call options.
- e) The Board of Directors is to decide on the final distribution in accordance with the principles presented in items c) and d) above.
- f) An application to acquire call options must be made not later than 30 May 2022.
- g) The premium for call options will correspond to the market value of the call options using an external independent assessment in accordance with a generally accepted valuation method (Black & Scholes model). The measurement period for the assessment of the option premium is to be based on the volume-weighted average price for the Company’s Class B shares on Nasdaq Stockholm during the period starting 12 May 2022 up to and including 25 May 2022.
- h) Based on a price for the Company’s share of SEK 130, and on other market conditions existing on 5 April 2022, the value per option has been calculated at SEK 11.92, which gives a total value for all options of approximately SEK 2.2 million.
- i) Issuing call options to employees outside Sweden is dependent on tax effects, that there are no legal obstacles and that the Board of Directors is of the opinion that such an issue can take place with reasonable administrative and financial resources. The Board of Directors will have the right to make minor adjustments to the Programme brought about by applicable foreign laws and rules.
- j) The call options are freely transferable, taking into consideration the right of first refusal clause with the Company. The right of first refusal of acquired call options is to be carried out at market value. The Company has the right to repurchase issued call options.
- k) The number of Shares which the call options entitle the holders to acquire, and the Exercise Price, may be recalculated due to, for example, bonus issues, the consolidation or split of shares, new share issues or a reduction in share capital or similar measures. The date for the transfer of Shares may be brought forward due to a merger or similar measures.
- l) To encourage participation in the Programme, a subsidy in the form of cash gross salary may be paid to the option holder corresponding to the paid premium for each call option. The subsidy will be paid in June 2024 provided that the employment of the holder of the option has not been terminated from the Group or that the call options acquired from the Company have not been divested before this date.
- m) The Company has the right to repurchase the call options from the holder in the event that the option holder does not wish to redeem all of the acquired call options and notifies the Company thereof during the Exercise Periods. Furthermore, the option holder has a right to request that the Company acquires 50 per cent of the holder's call options at the market

value of the option by payment of own Shares. Options are to be acquired at a price corresponding to the market value at any given time. However, call options may not be repurchased during such a period when trading in shares in the Company is prohibited in accordance with the Market Abuse Regulation (or other equivalent legislation prevailing at any given time).

- n) Within the framework of the conditions and guidelines stated above, the Board of Directors is responsible for preparing and managing the details of the Programme.
- o) The complete terms and conditions for the options are presented in Appendix 1 at the Company's website at [www.alligo.com](http://www.alligo.com) (only available in Swedish).

The costs of the Programme mainly comprise the subsidy to be paid in June 2024 in accordance with the above and the social security contributions that will accrue on this subsidy as well as administrative expenses for engaging external consultants and suppliers of administrative services in connection with the establishment of the call option programme. The total cost of the subsidy, including social security contributions, is estimated at approximately SEK 2.9 million after corporate tax (based on the market conditions on 5 April 2022). The subsidy will be offset by the option premium totalling approximately SEK 2.2 million, which the Company will receive upon transfer of the call options (based on the market conditions on 5 April 2022), which is why the Programme does not entail any net cost to the Company's equity.

The reason for the deviation from the shareholders' preferential rights and the Board of Directors' motive for implementing the Programme is to allow key individuals in senior positions in the Alligo Group, through their own investment, to participate in and promote a positive value growth trend for the Company's shares and thereby align their interests more closely with those of the Company's shareholders. The purpose of the Programme is also to contribute to a long-term increase in share ownership by managers and senior management in Alligo. In addition, the Programme is expected to create the conditions to retain and recruit qualified personnel to the Alligo Group, provide competitive remuneration and align the interests of the shareholders and senior executives. Against this background, the Board of Directors is of the opinion that the implementation of the Programme will have a positive impact on the continued development of the Alligo Group and that the Programme will benefit both the shareholders and the Company.

The Company has one previous share-based incentive programme, the 2018 Share-Based Incentive Programme. In this programme, 8,000 call options are outstanding which, based on preliminary data taking into account that there is an ongoing recalculation of the call options, entitles to acquisition of 12,480 Shares in the Company. The exercise price for these call options is preliminary set at SEK 88 per Share with the exercise period 16–30 May 2022. All of the 12,480 underlying Shares in the Company in these outstanding call options correspond in their entirety to previously repurchased Shares in the Company.

A resolution on the Board's proposal in accordance with Item 18 requires the support of shareholders representing at least nine tenths of the votes cast and the shares represented at the Annual General Meeting.

**Item 19            Resolution regarding authorisation for the Board of Directors to decide on acquisition and transfer of own shares.**

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to acquire a maximum number of Class B shares so that the Company's holding of treasury shares at no time exceeds 10 per cent of the total number of shares in the Company. Acquisitions are to be carried out on Nasdaq Stockholm in accordance with the Stock Exchange's Rule Book for Issuers at a price that is within the registered

price range at any given time, meaning the range between the highest purchase price and the lowest selling price. Acquisitions are to be paid for in cash and may be carried out on one or more occasions.

The Board also proposes that the Annual General Meeting authorises the Board, prior to the next Annual General Meeting, to divest Class B shares held in treasury by the Company in a manner other than on Nasdaq Stockholm. This authorisation may be utilised on one or more occasions and encompasses all shares held in treasury by the Company at the time of the Board's decision. The authorisation also entitles the Board to decide to deviate from the shareholders' preferential rights and stipulates that payment may be made by other means than money.

The purpose of this authorisation is to be able to adapt the Group's capital structure and to pay for future acquisitions of businesses and operations using treasury shares. Holdings of treasury shares are also used to secure the Company's possible future obligations under share-based incentive programmes.

A resolution on the Board's proposal in accordance with Item 19 requires the support of shareholders representing at least two-thirds of the votes cast and the shares represented at the Annual General Meeting.

**Item 20            Resolution regarding authorisation for the Board of Directors to resolve to issue new shares up to 10 per cent of the number of shares to use as payment for acquisitions.**

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board, on one or more occasions during the period until the next Annual General Meeting, to decide to increase the Company's share capital by means of a new issue of shares, though such issues should not entail an increase in the Company's registered share capital or the number of shares in the Company by more than a total of 10 per cent, based on the Company's registered share capital or number of shares before utilising the authorisation. The new issue of shares may be performed with or without deviation from the shareholders' preferential rights and with or without provisions regarding non-cash issues or right of offset.

The purpose of the authorisation above and the reasons for the deviation from the shareholders' preferential rights are to improve the Company's opportunities to conduct or finance the acquisition of other companies, parts of companies or assets that the Board of Directors considers of value to the Company's operations, or in connection therewith strengthen the Company's own funds. Issues that deviate from the shareholders' preferential rights must establish the issue price on the basis of prevailing market situation at the time the shares are issued.

The Board of Directors and the President & CEO, or the person appointed by the Board, are entitled to make the minor adjustments in the decision that may be necessary in conjunction with their registration.

A resolution on the Board's proposal in accordance with Item 20 requires the support of shareholders representing at least two-thirds of the votes cast and the shares represented at the Annual General Meeting.

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## SHARES AND VOTES

The Company has issued a total of 50,906,189 shares, of which 564,073 are Class A shares and 50,342,116 are Class B shares, of which 425,300 are held by the Company. After deducting the shares held by the Company, the total number of votes amounts to 55,557,546. The above information pertains to the conditions at the time this official notification was issued.

## SHAREHOLDERS' RIGHT TO REQUEST INFORMATION

According to Chapter 7, Sections 32 and 57 of the Swedish Companies Act, upon request from a shareholder and provided the Board determines that it is possible to do so without causing material damage to the Company, the Board and the President & CEO are required to provide information at the Meeting about any circumstances that could impact how an item on the agenda is addressed as well as any circumstances that could impact the assessment of the Company's financial situation. This disclosure obligation also encompasses the Company's relationships with other Group companies, the consolidated financial statements and any interactions with subsidiaries as described above.

## DOCUMENTS

Accounting documents and the Auditor's Report and complete proposals of the Board of Directors for resolutions under items 9b (including the Board of Director's statement in accordance with Chapter 18, Section 4 of the Swedish Companies Act), 17, 18, 19 (including the statement from the Board of Directors in accordance with Chapter 19, Section 22 of the Swedish Companies Act) and 20 on the agenda as well as the remuneration report to be submitted for approval at the Annual General Meeting under item 10 (including the auditor's statement in accordance with Chapter 8, Section 54 of the Swedish Companies Act regarding the application of the guidelines for remuneration of senior management as resolved by the Annual General Meeting) will be available from the Company and at the Company's website not later than three weeks prior to the Annual General Meeting and will be sent to shareholders who so request and who provide their postal address. The Election Committee's proposals and reasoned statement are available at the Company's website from the date the official notification is published. All of the aforementioned documents will be presented at the Meeting.

**Please note that this is a translation for information purposes only. In the event of any discrepancies between the Swedish and English versions, the Swedish version shall prevail.**

Stockholm, April 2022

THE BOARD OF DIRECTORS

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