

## **The Board of Directors' proposal regarding resolution on the establishment of incentive program 2023/2026 through the issue of warrants to subsidiary and approval of the transfer of warrants to employees**

The Board of Directors of Green Landscaping Group AB (publ), reg.no. 556771–3465 (the "**Company**"), proposes that the Annual General Meeting ("**AGM**") resolves on the establishment of an incentive program 2023/2026 through a directed issue of warrants in the Company and transfer of warrants to certain key employees in the Group on the below terms ("**Incentive program 2023/2026**").

The issue of the warrants shall, with deviation from the shareholders' preferential rights, be directed to the wholly owned subsidiary, Green Landscaping Incentive AB, reg. no. 559148–3242, (the "**Subsidiary**"). The warrants shall be issued without consideration. The Subsidiary has the right to subscribe for the warrants with the right and obligation for the Subsidiary to offer the Company's CEO and executive management as well as the CEOs and certain other key employees in the Company's subsidiaries (the "**Management**") to acquire the warrants for consideration on the terms set out below.

The Board of Directors considers it important and in the best interest of all shareholders that employees have a long-term interest in a positive value development of the Company's shares. A personal long-term shareholder engagement is expected to contribute to an increased interest in the business and result in full, increase the participants' motivation as well as further strengthen the affinity with the Company.

The maximum number of additional shares is estimated to a maximum of 550,000 shares corresponding to 0.99 percent of the total number of shares in the Company, provided full subscription and full exercise of all warrants.

Statement regarding the Company's other share-related incentive programs, preparation of the proposal, costs of the program and effects on important key figures are described in Appendix A.

### **A. Issue of warrants to the Subsidiary**

The issue, which consist of a maximum of 550,000 warrants of series 2023/2026, shall be made with deviation from the shareholders' preferential rights and on the following terms.

1. Number of warrants issued

The Company shall issue a maximum of 550,000 warrants of series 2023/2026. Each warrant confers the holder a right to subscribe for one (1) new share in the Company.

2. Subscription right and allocation

The warrants shall, with deviation from the shareholders' preferential rights, only be able to be subscribed for by the Company's wholly-owned Subsidiary. Oversubscription is not possible. After subscription, the Subsidiary shall offer the Management to acquire the warrants.

3. Issue price

The warrants shall be issued without consideration.

4. Subscription period

The warrants shall be subscribed for during the period from and including May 29, 2023 to June 30, 2023 on a separate subscription list. The Board of Directors is authorised to extend the subscription period.

5. Increase of share capital

Provided that the warrants are fully exercised, the Company's share capital can increase with a maximum of SEK 39,051 (provided the current quota value and that no re-calculations have been made in accordance with [Appendix B](#)).

6. Subscription price

The subscription price for a share when exercising a warrant shall be 120 percent of the volume-weighted average price for the Company's share on Nasdaq Stockholm during the period May 22, 2023, to May 26, 2023, but not below the share's quota value. If the subscription price exceeds the previous shares quota value, the excess amount (premium) shall be recognised under the unrestricted share premium reserve in the Company's balance sheet.

7. Exercising period for warrants

The warrants can be exercised by notification of subscription for new shares during the period May 29, 2026 to June 12, 2026.

8. Reason for deviation from the shareholders' preferential rights

The reason for deviating from the shareholders' preferential rights is that the Company wishes to promote the Company's long-term interests by providing Management with a well-considered incentive program, which gives them the opportunity to take part in a positive value development in the Company.

9. Dividend

Shares subscribed for by way of warrants entitles to dividend for the first time on the record date for dividend that falls immediately after the subscription has been executed.

## 10. Articles of Association

The Articles of Association are kept available for the subscribers at the Company's address in Stockholm.

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The complete terms and conditions for the warrants are set out in Appendix B – “Terms and conditions for Green Landscaping Group AB (publ) warrants 2023/2026”. For instance, it is stated in § 8 in Appendix B that the subscription price, as well as the number of shares each warrant entitles to subscribe for, may be recalculated in the event of a bonus issue, rights issue and in some other cases.

Upon full subscription and full exercise of the warrants, the Company's share capital may increase by a maximum of SEK 39,051 through the issuance of a maximum of 550,000 shares, each with a quota value of approximately SEK 0.071, however, subject to the increase that may be caused by recalculation according to the warrant terms and conditions as a result of issues etc. These new shares constitute, if fully exercised, 0,99 percent of the total number of shares in the Company.

### **B. Approval of transfer of warrants to Management**

The Board of Directors proposes that the AGM resolves to approve that the Subsidiary may transfer a maximum of 550,000 warrants in the Company of the series 2023/2026 to the Management, or otherwise dispose of the warrants to fulfill the commitments in connection with Incentive Program 2023/2026.

The right to acquire warrants within Incentive Program 2023/2026 shall be offered to the following categories:

<b>Category</b>	<b>Maximum number of warrants per person</b>	<b>Maximum number of warrants for the category</b>
The Company's CEO (maximum one person)	75,000	75,000
Others in the executive management (maximum 3 people)	50,000	150,000
CEOs and other key employees in the Company's subsidiaries (maximum 100 persons)	30,000	400,000

If warrants within a certain category remain, after all registrations within the category have been satisfied, the remaining number may be allocated to participants in the same or another category, whereby the Board of Directors shall

determine the distribution based on category affiliation, staff category and the number of applied warrants. Such distribution may not, however, exceed the maximum number of warrants per person within each category.

The warrants shall be transferred to the Management at a price corresponding to the estimated market value at the time of the transfer using Black & Scholes or another accepted valuation model.

The warrants shall be transferred to the Management no later than before the 2024 AGM, after which non-transferred warrants shall be cancelled.

The reason for deviating from the shareholders' preferential rights is that the Company wishes to promote the Company's long-term interests by providing the Management with a well-considered incentive program, which gives them the opportunity to take part in a positive value development in the Company.

*Majority requirement*

A valid resolution for this item requires that the proposal is supported by shareholders with at least nine-tenth of both the votes cast and the shares represented at the meeting.

*Authorisation*

The Board of Directors, or the person appointed by the Board of Directors, shall be authorised to make the minor changes in the decision that may be required for registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

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Stockholm, April 2023  
*The Board of Directors*

### **Other share-related incentive programs**

#### *Incentive program 2020/2023*

The Company decided on May 14, 2020 to offer the Company's CEO, group management as well as CEOs and certain other key employees in the Company's subsidiaries to acquire warrants in the Company. A total of 555,000 warrants were issued. Each warrant gives the holder, after recalculation in accordance with the warrant terms and conditions due to the rights issue carried out in 2020, the right to subscribe for 1.07 new share in the Company during the period from and including May 22, 2023 up to and including June 16, 2023 at a price of SEK 27.90 per new share. The total option premium paid was approximately SEK 1,485,000.

#### *Incentive program 2021/2024*

The Company decided on May 19, 2021 to offer the Company's CEO, group management as well as CEOs and certain other key employees in the Company's subsidiaries to acquire warrants in the Company. A total of 490,000 warrants were issued. Each warrant gives the holder the right to subscribe for 1 new share in the Company during the period from and including June 12, 2024 up to and including June 30, 2024 at a price of SEK 100.40 per new share. The total option premium paid was approximately SEK 2,500,000.

#### *Incentive program 2022/2025*

The Company decided on May 19, 2022 to offer the Company's CEO, group management as well as CEOs and certain other key employees in the Company's subsidiaries to acquire warrants in the Company. A total of 500,000 warrants were issued. Each warrant gives the holder the right to subscribe for 1 new share in the Company during the period from and including May 28, 2025 up to and including June 30, 2025 at a price of SEK 87.00 per new share. The total option premium paid was approximately SEK 3,385,000.

### **Preparation of the Board of Directors' proposal for a warrant program for employees**

The proposed warrant program has been prepared by the Board of Directors after obtaining opinions from shareholders and independent experts.

### **Valuation etc.**

The Management's acquisition shall be made at market value. Valuation of the warrants shall be based on calculation according to Black & Scholes or another accepted valuation model.

Assuming that the value of the Company's share at the time of the valuation of the warrants amounts to SEK 76.80, that the exercise price amounts to SEK 92.16, a term of 3 years, a risk-free interest rate of 2.66 percent, a volatility of 30.0 percent, no expected dividend during the term and an illiquidity discount of 30.0 percent, the value per warrant will be SEK 9.00. The final valuation of the warrants will take place in connection with the participants' acquisition of the warrants and will be based on market conditions prevailing at the time. The preliminary valuation has been carried out by Svalner Skatt & Transaktion.

### **Costs and impact on key figures**

Taking into account that the warrants are to be acquired by the Management at an estimated market price, the warrant program is not deemed to entail any costs beyond certain minor costs for establishment and administration. The dilution effect of the warrants may, however, affect earnings per share in accordance with the accounting standard IAS 33.

In case of full subscription at a price corresponding to the calculated value in the example above under "Valuation etc.", the Company receives total transfer proceeds of approximately SEK 4,950,000. In the event of full exercise of the warrants and at an assumed subscription price of SEK 92.16, the Company will additionally receive issue proceeds of approximately SEK 50,688,000.