

Unofficial translation of minutes from the Annual General Meeting of shareholders of Nelly Group AB (publ), reg. no. 556035-6940, Wednesday 31 May 2023 at Advokatfirman Cederquist's premises, Hovslagargatan 3 in Stockholm

Time: 10:00 – 10:40

**Present:** Shareholders and proxy holders, Appendix 1, stating the number of shares and votes.

Noted as present were also the Chair of the Board Mathias Pedersen, the Board members Daniel Hörnqvist, Stefan Palm and Josephine Salenstedt, the Chief Executive Officer Helena Karlinder-Östlundh, the Chief Financial Officer Ola Wahlström, the Chair of the Nomination Committee Jonathan Sundqvist as well as the Company's Auditor-in-Charge Mathias Arvidsson.

## § 1

### Opening of the Annual General Meeting (agenda item 1)

Mathias Pedersen declared the Annual General Meeting open and welcomed the shareholders.

## § 2

### Election of Chair of the Annual General Meeting (agenda item 2)

The Meeting elected, in accordance with the Nomination Committee's proposal, Tone Myhre-Jensen as Chair of the Meeting.

The Chair informed that Matilda Larsson had been appointed to keep the minutes at the Meeting.

It was noted that the Board had decided that the shareholders would be able to exercise their voting rights at the Meeting also by postal voting in advance in accordance with the provisions of the Articles of Association.

The Meeting resolved that functionaries from the Company as well as other attendees were entitled to attend the Meeting, but without the rights to address the Meeting or participate in the Meeting's resolutions.

## § 3

### Preparation and approval of the voting list (agenda item 3)

The Meeting approved the procedure for preparing the voting list and that the list in Appendix 1 of shareholders who had given notice of participation and were present at the Meeting, including shareholders who had casted postal votes in advance, should be the voting list at the Meeting.

## § 4

### Approval of the agenda (agenda item 4)

The Meeting approved the proposed agenda, Appendix 2, which had been included in the notice of the Meeting.

It was noted that the complete proposals of the Board and the Nomination Committee had been included in the notice of the Meeting.

The Annual Report, the Auditor's Report, and the consolidated financial statements and the Auditor's Report on the consolidated financial statements for the financial year 2022, the Board's Remuneration Report and other documents for the Annual General Meeting, which had been made available to the shareholders in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, were presented.

## **§ 5**

Election of one or two persons to verify the minutes (agenda item 5)

The Meeting elected Hugo Näslund, representing Rite Ventures, to verify the minutes of the Meeting jointly with the Chair.

## **§ 6**

Determination of whether the Annual General Meeting has been duly convened (agenda item 6)

The Chair found that notice had been made in accordance with the provisions of the Swedish Companies Act and the Articles of Association.

The Meeting resolved to approve the notice procedure and declared the Meeting duly convened.

## **§ 7**

Presentation of the Annual Report, the Auditors' Report and the consolidated financial statements and the Auditors' Report on the consolidated financial statements (agenda item 7)

The Chair found that the Annual Report, the Auditor's Report and the consolidated financial statements and the Auditors' Report on the consolidated financial statements for the financial year 2022 had been presented.

The Company's Auditor-in-Charge, Mathias Arvidsson, KPMG AB, presented the audit work and commented on the Auditor's Report for the Parent Company and the Group for 2022.

## **§ 8**

Resolution on the adoption of the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet (agenda item 8)

The Meeting resolved to adopt the income statement for 2022 and the balance sheet as per 31 December 2022 for the Parent Company and the Group.

## **§ 9**

Resolution on the proposed treatment of the company's result as stated in the adopted balance sheet (agenda item 9)

The Meeting resolved, in accordance with the Board's proposal, that the Company's result should be distributed so that the retained earnings, the share premium reserve and the result for the year is carried forward.

## **§ 10**

Resolution on the discharge of liability of the members of the Board and the Chief Executive Officer (agenda item 10)

The Meeting discharged the members of the Board and the Chief Executive Officers from liability for the management of the company and its affairs during 2022.

It was noted that all shareholders participating in the resolution supported the resolution.

## **§ 11**

Presentation and resolution on approval of the Remuneration Report (agenda item 11)

The Chair found that the Board's Remuneration Report for 2022 had been presented.

The Meeting resolved to approve the Board's Remuneration Report for 2022, Appendix 3.

## **§ 12**

Determination of the number of members of the Board (agenda item 12)

Jonathan Sundqvist reported on the work of the Nomination Committee and presented the Nomination Committee's proposals.

The Meeting resolved, in accordance with the Nomination Committee's proposal, that the Board, for the period until the end of the next Annual General Meeting, shall consist of six (6) members.

## **§ 13**

Determination of the remuneration to the members of the Board and the Auditor (agenda item 13)

The Meeting resolved, in accordance with the Nomination Committee's proposal, that remuneration for ordinary Board work and work within the Board's committees shall be paid in accordance with the following:

- SEK 450,000 to the Chair of the Board;
- SEK 200,000 to each of the other five members of the Board;
- SEK 75,000 to the Chair and SEK 30,000 to each of the other two members of the Audit Committee;
- SEK 50,000 to the Chair and SEK 20,000 to each of the other two members of the Remuneration Committee.

The Meeting resolved, in accordance with the Nomination Committee's proposal, that the Auditor shall be paid in accordance with approved invoices.

## **§ 14**

Election of Board members (agenda item 14)

The Chair provided information to the Meeting on the assignments held by the proposed Board members in other companies.

The Meeting resolved, in accordance with the Nomination Committee's proposal, to re-elect Daniel Hörnqvist, Stefan Palm and Josephine Salenstedt as Board members, and to elect Ebba Ljungerud, Axel Medefelt and Lennart Sparud as new Board members.

## § 15

### Election of Chair of the Board (agenda item 15)

The Meeting resolved, in accordance with the Nomination Committee's proposal, to elect Ebba Ljungerud as new Chair of the Board.

## § 16

### Determination of the number of Auditors and election of Auditor (agenda item 16)

The Meeting resolved, in accordance with the Nomination Committee's proposal and in accordance with the Audit Committee's recommendation, that the Company shall have a registered accounting firm as Auditor, and to re-elect KPMG AB as Auditor for the period until the end of the 2024 Annual General Meeting.

It was noted that Mathias Arvidsson will continue as Auditor-in-Charge.

## § 17

### Resolution on authorisation for the Board to resolve on new issues of ordinary shares, warrants and/or convertible bonds (agenda item 17)

The Meeting resolved in accordance with the Board's proposal, Appendix 4, on authorisation for the Board to resolve on new issues of ordinary shares, warrants and/or convertible bonds.

It was noted that all shareholders participating in the resolution supported the resolution.

## § 18

### Closing of the Annual General Meeting (agenda item 18)

The Chair declared the Annual General Meeting closed.

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At the minutes:

Matilda Larsson

Minutes checkers:

Tone Myhre-Jensen

Hugo Näslund

## APPENDIX 2

## **Agenda for the Annual General Meeting of Nelly Group AB (publ)**

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1. Opening of the Annual General Meeting.
2. Election of Chair of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check and verify the minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Presentation of the Annual Report, the Auditor's Report and the consolidated financial statements and the Auditor's Report on the consolidated financial statements.
8. Resolution on the adoption of the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet.
9. Resolution on the proposed treatment of the company's result as stated in the adopted balance sheet.
10. Resolution on the discharge of liability of the members of the Board and the Chief Executive Officer.
11. Presentation and resolution on approval of the Remuneration Report.
12. Determination of the number of members of the Board.
13. Determination of the remuneration to the members of the Board and the Auditor.
14. Election of Board members:
  - (a) Daniel Hörnqvist (re-election, proposed by the Nomination Committee).
  - (b) Stefan Palm (re-election, proposed by the Nomination Committee).
  - (c) Josephine Salenstedt (re-election, proposed by the Nomination Committee).
  - (d) Ebba Ljungerud (new election, proposed by the Nomination Committee).
  - (e) Axel Medefelt (new election, proposed by the Nomination Committee).
  - (f) Lennart Sparud (new election, proposed by the Nomination Committee).
15. Election of Chair of the Board.
16. Determination of the number of Auditors and election of Auditor.
17. Resolution on authorisation for the Board to resolve on new issues of ordinary shares, warrants and/or convertible bonds.
18. Closing of the Annual General Meeting.

## APPENDIX 3

## **The Board's Remuneration Report for 2022**

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### **Introduction**

This remuneration report describes how the guidelines for remuneration to senior executives of Nelly Group AB (publ) ("Nelly" or the "company"), adopted by the Extraordinary General Meeting in December 2020, were applied in 2022. The report also provides information on remuneration to the CEO and Board members (in addition to ordinary board remuneration) and a general description of outstanding and during the year ended share-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the Stock Market Self-Regulation Committee's rules on remuneration of executive management and on incentive programmes.

The information required by Chapter 5, Section 40-44 of the Swedish Annual Accounts Act is provided in note 21 on the pages 100-109 in the 2022 Annual Report. Information regarding the work of the Remuneration Committee during 2022 is set out in the Corporate Governance Report on page 56 in the 2022 Annual Report.

Ordinary remuneration to the Board is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in note is disclosed in note 21 on pages 100-109 in the 2022 Annual Report.

### **Key developments 2022**

The CEO summarizes the company's overall performance in her statement on pages 3-4 in the 2022 Annual Report.

### **The company's remuneration guidelines: scope, purpose and deviations**

A prerequisite for the successful implementation of Nelly's business strategy and safeguarding of its long-term interests, including its sustainability, is that Nelly is able to attract, motivate and retain senior executives. To this end, it is necessary that the company could offer competitive remuneration. The remuneration guidelines enable the company to offer a competitive total remuneration to senior executives. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, the possibility of participating in long-term share and share price related incentive plans resolved by the General Meeting and cash-based incentive plans, pension benefits and other customary benefits. The variable cash remuneration shall be linked to financial or non-financial criteria, which may be quantitative, qualitative, general and individualized objectives. The criteria shall be designed to contribute to the company's business strategy and long-term interests, including its sustainability.

The applicable remuneration guidelines adopted at the Extraordinary General Meeting in December 2020 can be found on pages 100-101 in the 2022 Annual Report and on the company's website [www.nellygroup.com](http://www.nellygroup.com).

During 2022, the company has complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. No remuneration has been reclaimed. The Auditor's report regarding the company's compliance with the guidelines is available on the company's website [www.nellygroup.com](http://www.nellygroup.com).

In addition to remuneration covered by the remuneration guidelines, Nelly's General Meetings has resolved to implement long-term share-related incentive plans.

### **Remuneration to a Board member outside of his board assignment**

Daniel Hörnqvist was elected Board member of Nelly at the Annual General Meeting on 12 May 2022. During 2022, Nelly has paid TSEK 300 in consultancy fees to Daniel Hörnqvist related to the period 1 January – 11 May 2022.



## Total remuneration to the CEO in 2022 (TSEK)

	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
	Base salary	Other benefits	One-year	Multi-year	Extraordinary items	Pension expenses	Total remuneration	Portion of fixed and variable remuneration *
Kristina Lukes <sup>1)</sup>	2,928	64	-	-	-	925	3,917	100% / 0%
Helena Karlinder-Östlundh <sup>2)</sup>	455	0	-	-	-	132	587	100% / 0%
Ludvig Anderberg <sup>3)</sup>	780	4	-	-	-	170	954	100% / 0%

1) CEO up until 13 June 2022.

2) Acting CEO during the period from 13 June 2022 up to and including 21 August 2022. The remuneration above only includes remuneration received by Helena Karlinder-Östlundh in her role as acting CEO.

3) CEO as from 22 August 2022.

\* Pension expenses (column 4), which relates to base salary and is premium defined, has been counted entirely as fixed remuneration.

## Outstanding and during the year ended share-related incentive plans

### PSP 2022

Nelly's long-term four-year performance share plan ("PSP 2022") was adopted by the 2022 Annual General Meeting. At the end of 2022, there was two remaining participants in PSP 2022. Under PSP 2022, the participants have through a personal investment acquired ordinary shares in Nelly ("Savings Shares"). For each Savings Share, Nelly has, free of charge, allotted share rights entitling the participant to receive ordinary shares in Nelly free of charge ("Performance Shares") provided that, and to the extent, the performance-based condition for the period 1 April 2022 – 31 March 2026 (the "Measurement Period") is being fulfilled. The right to finally receive Performance Shares is also conditional upon the participant having retained the Saving Shares and, subject to certain exemptions, continued his or her employment with Nelly throughout the vesting period ending after the disclosure of Nelly's interim report for the period January-March 2026. If the participant's employment is terminated during the period 1 April 2025 – 31 March 2026, the participant shall however be entitled to one quarter of the Performance Shares provided that, and to the extent, the performance-based condition is fulfilled at the time of termination of employment. The performance-based condition is based on the total shareholder return on the ordinary share (including any dividends reinvested) during March 2022 to be compared to March 2026.

Nelly's current acting CEO Helena Karlinder-Östlundh does not participate in PSP 2022, the former CEO Kristina Lukes did not participate in PSP 2022 and the former CEO Ludvig Anderberg's participation in PSP 2022 has been terminated during 2023.

### Ownership Plan 2020 (ended during 2022)

The Extraordinary General Meeting in December 2020 resolved to adopt a long-term incentive plan ("Ownership Plan 2020") for Nelly's former CEO Kristina Lukes and two other senior executives in the company. As none of the participants in the plan still were employed by Nelly, the Ownership Plan 2020 was terminated during 2022. Under Ownership Plan 2020, the participants acquired ordinary shares through a personal investment ("Investment Shares"). Based on the number of allocated Investment Shares the participants were entitled to be allotted shares in the company ("Ownership Shares") subject to the fulfilment of certain conditions. The vesting period for the Ownership Shares was from and including 1 January 2021 up to and including 31 December 2027 (the "Vesting Period"). After the Vesting Period had expired, allotted Ownership Shares and any related dividend or similar would be retained and freely disposed by the participants provided that the participant had acquired and, during the Vesting Period, retained the number of Investment Shares corresponding to the number of Ownership Shares that had been allotted to the participant. If the participant had acquired a lower number of Investment Shares than the number of Ownership Shares allotted to the

participant, the number of Ownership Shares would be reduced accordingly. The general rule was that the Ownership Shares vested linearly during the Vesting Period, meaning that at the end of each year under Ownership Plan 2020, one seventh of the total number of Ownership Shares that the participant was entitled to under the Ownership Plan 2020 would be vested. The total number of Ownership Shares that were allotted to the participants at the start of the plan amounted to 53,983, of which a total of 42,747 have been transferred back to Nelly free of charge and 11,236 have been vested and kept by the participants, of which 9,807 by the former CEO Kristina Lukes.

Nelly's current acting CEO Helena Karlinder-Östlundh and the former CEO Ludvig Anderberg did not participate in the Ownership Plan 2020.

*PSP 2019 (ended during 2022)*

Nelly's long-term three-year performance share plan ("PSP 2019") was adopted by the 2019 Annual General Meeting. Under PSP 2019, the participants acquired ordinary shares in Nelly through a personal investment ("Savings Shares"). For each Savings Share, Nelly allotted retention- and performance-based share rights to the participants free of charge. The share rights were divided into Class A (retention rights) and Class B (performance rights). Subject to fulfilment of certain retention- and performance- based conditions during the period 1 April 2019 – 31 March 2022 (the "Measurement Period"), each share right entitled the participant to receive one (1) ordinary share free of charge. The right to finally be awarded shares was also dependent on that the participant had retained the Savings Shares, and, with certain exceptions, still was employed by Nelly at the time of the publication of Nelly's interim report for the period January-March 2022. The retention- and performance-based conditions for PSP 2019 were (a) Class A: that the total shareholder return on the ordinary share during the Measurement Period would exceed 0 percent, and (b) Class B: that the average annual total shareholder return on the ordinary share during the Measurement Period would be 10 percent to reach the entry target and 20 percent or more to reach the stretch target. The retention and performance-based share rights could be exercised after publication of the interim report for the period January-March 2022. None of the retention and performance-based conditions under PSP 2019 were fulfilled during the Measurement Period, and therefore all share rights that the company had allotted to the participants of PSP 2019 lapsed and the plan was ended during April 2022.

Nelly's current acting CEO Helena Karlinder-Östlundh and the two former CEOs Ludvig Anderberg and Kristina Lukes did not participate in PSP 2019.

*Additional information*

Additional information on outstanding and during the year ended share-related incentive plans may be found on the pages 101-104 in the 2022 Annual Report.

**Application of performance criteria for variable remuneration**

The performance criteria for the CEO's variable cash remuneration for 2022 were set during the first quarter of 2022. In the selection of performance criteria, Nelly's strategic objectives and short-term and long-term business priorities for 2022 have been taken into account.

*Performance of the CEO during 2022: variable cash remuneration*

	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	a) has the target been reached? b) actual remuneration outcome
Kristina Lukes	Net sales growth after returns (B2C)	25%	a) no b) TSEK 0
	EBIT	25%	a) no b) TSEK 0
	Discretionary evaluation	50%	a) no b) TSEK 0
Helena Karlinder-Östlundh <sup>1)</sup>	Net sales growth after returns (B2C)	25%	a) no b) TSEK 0
	EBIT	25%	a) no

			b) TSEK 0
	Discretionary evaluation	50%	a) no b) TSEK 0
Ludvig Anderberg	Net sales growth after returns (B2C)	25%	a) no b) TSEK 0
	EBIT	25%	a) no b) TSEK 0
	Discretionary evaluation	50%	a) no b) TSEK 0

1) The remuneration above only includes remuneration received by Helena Karlinder-Östlundh related to her role as acting CEO.

### Comparative information on the changes of remuneration and the company's performance

	Financial year				
	2020	2020 vs. 2021	2021	2021 vs. 2022	2022
Total remuneration to the CEO (MSEK)*	10.5	-7.0	3.5	2.0	5.5
The Group's operating profits (MSEK)	-45.9	7.3	-38.6	-17.5	-56.1
The Group's profit after tax for continuing and discontinued operations (MSEK)**	512.1	-559.9	-47.8	-23.9	-71.7
Average remuneration on a full-time equivalent basis of employees of the Group*** (TSEK)	424	77	501	-18	483

\* During 2020 Nelly (previously Qliro Group AB (publ)) had three CEOs: Marcus Lindqvist (1 January – 31 May 2020), Mathias Pedersen (1 June – 5 November 2020) and Kristina Lukes (from 6 November 2020). The total remuneration for 2020 refers to the total remuneration to the three CEOs. Further, Nelly had three CEOs during 2022: Kristina Lukes (1 January – 13 June 2022), Helena Karlinder-Östlundh (13 June – 21 August 2022) and Ludvig Anderberg (from 22 August 2022). The total remuneration for 2022 refers to the total remuneration to the three CEOs.

\*\* The consolidated income statement may be found on page 63 in the 2022 Annual Report.

\*\*\* The average remuneration has been calculated by dividing the remuneration for all employees in the Group (excluding the CEO and other senior executives) with the average number of employees during 2022.

## APPENDIX 4

**Resolution on authorisation for the Board to resolve on new issues of ordinary shares, warrants and/or convertible bonds (item 17)**

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The Board proposes that the Annual General Meeting authorises the Board to, on one or more occasions during the period until the 2024 Annual General Meeting, resolve upon new issues of ordinary shares, warrants and/or convertible bonds corresponding to a maximum of 25 percent of the total number of shares in Nelly at the time of the Annual General Meeting.

New issues of ordinary shares, warrants and/or convertible bonds may be effected with or without deviation from the shareholders' preferential rights. Payment may be made in cash, in kind or through set-off. New issues with deviation from the shareholders' preferential rights shall be made on market terms.

The purpose of the authorisation and the reason for any deviation from the shareholders' preferential rights is to increase the company's financial flexibility by allowing the company to raise new capital to finance its operations as well as to finance acquisitions of companies, businesses or parts thereof.