

## Notice to Annual General Meeting of engcon AB

**The annual general meeting of engcon AB ("engcon" or the "Company") will be held on Thursday 15 May 2025 at 14.30 CEST at engcon Nordic's production facility, Industricentragatan 4, SE-833 36 Strömsund, Sweden. Registration begins at 14.00 CEST. engcon will offer attending shareholders a guided tour of the production facility starting at 13.00 CEST.**

Pursuant to the provisions in engcon's articles of association, the board of directors has resolved that shareholders may also exercise their voting right by postal voting prior to the annual general meeting.

### RIGHT TO ATTEND AND NOTICE

Shareholders wishing to attend the annual general meeting

*shall* be entered as shareholder in the share register kept by Euroclear Sweden AB as of Wednesday 7 May 2025,

*shall* give notice of attendance at the meeting no later than Friday 9 May 2025. Notice of attendance may be given in writing to the Company at the address engcon AB, "Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden, by telephone +46 (0)8 402 91 33 on weekdays between 09.00 and 16.00 CEST or on the Company's website, [www.engcongroup.com](http://www.engcongroup.com). When giving notice of attendance, please state name or company name, personal identification number or company registration number, address and daytime telephone number. For the notification of assistants, the notification procedure described above applies.

Shareholders who wish to use the possibility of postal voting shall do so in accordance with the instructions under the heading "*Postal voting*" below. Such postal voting does not require any further notice of attendance.

### NOMINEE-REGISTERED SHARES

To be entitled to attend the annual general meeting, shareholders whose shares are nominee-registered must, in addition to giving notice of attendance to the meeting, register such shares in their own names so that the shareholder is recorded in the share register as of Wednesday 7 May 2025. Such registration may be temporary (so called voting right registration) and request for such registration shall be made to the nominee in accordance with the nominee's routines in such time in advance as decided by the nominee. The presentation of the share register as of the record date, Wednesday 7 May 2025, will consider voting rights registrations made no later than Friday 9 May 2025.

## PROXY ETC.

Shareholders who wish to attend the meeting venue in person or through a proxy representative are entitled to bring one or two assistants. Shareholders who wish to bring assistants shall state this in connection with the notice of attendance. Shareholders represented by a proxy shall issue a written and dated power of attorney for the proxy. If the power of attorney is issued by a legal entity, a copy of a certificate of incorporation, or if such document does not exist, a corresponding authorisation document shall be enclosed. In order to facilitate the registration at the meeting, the power of attorney and certificate of incorporation and other documents of authority should be provided to the Company at the address stated above well in advance before the annual general meeting. A proxy form is available on the Company's website, [www.engcongroup.com](http://www.engcongroup.com).

## POSTAL VOTING

A designated form shall be used for postal voting. The form is available on engcon's website, [www.engcongroup.com](http://www.engcongroup.com). The postal voting form is considered as a notification of attendance at the general meeting.

The completed form must be received by Euroclear Sweden AB, no later than Friday 9 May 2025. The completed form shall be sent to engcon AB, "Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. The completed form may alternatively be submitted electronically. Electronical submissions can be made either through BankID signing as per instructions available on <https://anmalan.vpc.se/euroclearproxy> or through sending the completed voting form by e-mail to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com) (with reference "engcon Annual General Meeting 2025"). If a shareholder postal votes by proxy, a power of attorney shall be enclosed with the form. The proxy form is available on the Company's website, [www.engcongroup.com](http://www.engcongroup.com). If the shareholder is a legal entity, a certificate of incorporation or a corresponding authorisation document shall be enclosed with the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the postal vote in its entirety) is invalid. Further instructions and conditions are included in the postal voting form.

## PROPOSED AGENDA

1. Opening of the meeting
2. Election of chairman of the meeting
3. Preparation and approval of the voting list
4. Election of one or two persons to verify the minutes
5. Determination of whether the meeting has been duly convened
6. Approval of the agenda
7. Presentation by the CEO
8. Presentation of the annual report and the audit report and the consolidated

financial statements and the audit report on the consolidated financial statements

9. Resolutions on:

- a) adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet,
- b) disposition of profits in accordance with the adopted balance sheet, and determination of record date in case of dividend, and
- c) discharge from liability for the directors of the board and the CEO for the financial year 2024

10. Presentation of the remuneration report for approval

11. Resolution on the number of directors of the board and the number of auditors

12. Resolution on remuneration to the directors of the board and to the auditors

13. Election of directors of the board, chairman of the board and auditors

14. Resolution on authorisation for the board of directors to resolve to issue new B shares

15. Resolution on (A) implementation of a long-term share-based incentive program and (B) authorisation for the board of directors to resolve on acquisition of own shares and resolution on transfer of own shares or (C) share swap agreement with a third party

16. Resolution on new issue of B shares as consideration to minority shareholders in foreign subsidiaries

17. Closing of the meeting

## **PROPOSED RESOLUTIONS**

### **Election of chairman of the meeting (item 2)**

The nomination committee proposes that the chairman of the board of directors, Annika Bärems, is elected chairman of the meeting.

### **Resolution on disposition of profits in accordance with the adopted balance sheet, and determination of record date in case of dividend (item 9 b)**

The board of directors proposes that the annual general meeting resolves on a dividend to the shareholders in a total amount of SEK 1.0 per share to be paid on two occasions. As record day for the first payment of SEK 0.5 per share, the board of directors proposes 19 May 2025, and for the second payment of SEK 0.5 per share, 13 October 2025 is proposed. If the annual general meeting resolves in accordance with the proposal, the first part of the dividend is estimated to be distributed by Euroclear Sweden AB on 22 May 2025 and the second part on 16 October 2025.

### **Presentation of the remuneration report for approval (item 10)**

The board of directors proposes that the annual general meeting approves the report regarding remuneration to the CEO and the board of directors for the financial year 2024.

### **Resolution on the number of directors of the board and the number of auditors (item 11)**

The nomination committee proposes that the board of directors, for the period until the end of the next annual general meeting, shall continue to consist of five directors elected by the general meeting with no deputies.

The nomination committee proposes that the Company shall have one accounting firm with no deputy.

### **Resolution on remuneration to the directors of the board and to the auditors (item 12)**

For the period until the end of the next annual general meeting, the nomination committee proposes that remuneration of SEK 546,000 shall be paid to the chairman of the board of directors (previously SEK 525,000) and SEK 273,000 shall be paid to each other director (previously SEK 262,500). Further, it is proposed that for work in the audit committee, an annual remuneration of SEK 111,500 shall be paid to the chairman of the audit committee (previously SEK 105,000) and SEK 55,000 to each of the other members (previously SEK 52,500). For work in the remuneration committee, an annual remuneration of SEK 44,000 is proposed to the chairman of the committee (previously SEK 42,000), and SEK 27,500 to each of the other members (previously SEK 26,250).

The nomination committee proposes that remuneration to the auditor shall be paid in accordance with approved invoices.

### **Election of directors of the board, chairman of the board and auditors (item 13)**

The nomination committee proposes that Annika Bärems, Anna Stålenbring, Monica Engström, Peter Hofvenstam and Stig Engström shall be re-elected as members of the board of directors. The nomination committee proposes that Annika Bärems shall be re-elected as chairman of the board of directors.

Information about the proposed directors is available on the Company's website, [www.engcongroup.com](http://www.engcongroup.com).

The nomination committee proposes that the registered accounting firm Deloitte AB is re-elected as auditor for the period until the end of the next annual general meeting. The proposal of the nomination committee is in accordance with the audit committee's recommendation.

Deloitte AB has informed that if the nomination committee's proposal for auditor is adopted by the meeting, Jonas Ståhlberg, authorised public accountant, will be appointed as the auditor in charge.

### **Resolution on authorisation for the board of directors to resolve to issue new B shares (item 14)**

The board of directors proposes that the annual general meeting resolves to authorise the board of directors to, at one or several occasions for the period until the end of the next annual general meeting, with or without deviation from the shareholders' preferential rights, resolve to issue new B shares, to the extent that such issue can be made without amending the articles of association. The total number of B shares issued under the authorisation may not result in a dilution of more than 10 percent of the total number of shares in the Company at the time of the annual general meeting 2025, calculated after full exercise of the proposed authorisation. New issues under the authorisation shall be made at a subscription price on market terms and payment may be made in cash, by contribution in kind or by set-off.

The purpose of the authorisation and the reason for any deviation from the shareholders' preferential rights is to be able to carry out company acquisitions that are important for the Company's business and thereby use the Company's share as a means of payment.

### **Resolution on (A) implementation of a long-term share-based incentive program and (B) authorisation for the board of directors to resolve on acquisition of own shares and resolution on transfer of own shares or (C) share swap agreement with a third party (item 15)**

The board of directors proposes that the annual general meeting resolves to implement a long-term share-based incentive program ("**LTIP 2025**") for the CEO of the Company, the other members of the group management and certain other key persons in the engcon group (the "**Group**") in accordance with (A) below. LTIP 2025 means that the participants are granted a certain number of performance-based share rights ("**Share Rights**") free of charge, which, after three years, provided continued employment and that certain performance targets are met, may entitle the participants to receive a number of shares of class B in the Company ("**B Shares**") free of charge.

The main motive for implementing LTIP 2025 is to align the interests of the participants with the interests of the shareholders to ensure long-term value creation. LTIP 2025 is also considered to facilitate the Company's recruitment and retention of key persons. It is the board of directors' assessment that the proposed program can have a positive impact on the Company's development.

To hedge the delivery of B Shares under LTIP 2025, the board of directors further proposes that the annual general meeting, in the first place, resolves on (i) authorisation for the board of directors to resolve on acquisition of own shares and (ii) resolution on transfer of own shares in accordance with (B) below. If the required majority for a resolution in accordance with the proposal under (B) below is not achieved, the board of directors, in the second place, proposes that the annual general meeting resolves on a share swap agreement with a third party in accordance with (C) below.

It is the board of directors' intention that the structure of LTIP 2025 should be long-term, and the board of directors therefore intends, after evaluation of the implementation of LTIP 2025, to return with corresponding proposals at general meetings in the coming years.

(A) Implementation of a long-term share-based incentive program

#### *LTIP 2025 in summary*

LTIP 2025 includes a maximum of 25 employees, consisting of the CEO, the other members of the group management and certain other key persons in the Group. Depending on which participant category a participant belongs to, the participant's annual fixed gross salary, and the volume-weighted average share price of the B Share on Nasdaq Stockholm during a period of five trading days immediately preceding the day of grant of the Share Rights, the participant is granted a certain number of Share Rights. The maximum number of Share Rights that can be granted to participants under LTIP 2025 is 119,000. The Share Rights constitutes a conditional right for participants to be allotted B Shares free of charge, after the end of the set vesting period, provided that certain conditions are met. These conditions are, with certain exceptions, continued employment in the Group during the vesting period and that certain performance targets have been met. The performance targets are in line with the Company's long-term financial goals. Each Share Right can, initially, entitle the participant to be allotted one B Share in the Company free of charge. The maximum number of B Shares that may be allotted to the participants under LTIP 2025 shall thus, subject to any recalculation, be limited to 119,000, which corresponds to approximately 0.08 percent of the total number of shares and approximately 0.03 percent of the total number of votes in the Company.

#### *Participants in LTIP 2025 and grant of Share Rights*

The participants in LTIP 2025 are broken down into three categories. The first category includes the CEO of the Company (1 person) ("**Category 1**"), the second category includes the other members of the group management (9 persons) ("**Category 2**"), and the third category includes certain other key persons in the Group, identified by the board of directors (a maximum of 15 persons) ("**Category 3**").

The participant in Category 1 shall be granted the number of Share Rights corresponding to 60 percent of the participant's annual fixed gross salary divided by the volume-weighted average share price of the B Share on Nasdaq Stockholm during a period of five trading days immediately preceding the day of grant of the Share Rights. Each participant in Category 2 shall be granted the number of Share Rights corresponding to 40 percent of the participant's annual fixed gross salary divided by the aforementioned average share price, and each participant in Category 3 shall be granted the number of Share Rights corresponding to 20 percent of the participant's annual fixed gross salary divided by the aforementioned average share price. In cases where the participant's salary is paid in a currency other than Swedish kronor, the participant's annual fixed gross salary shall be converted to Swedish kronor for the calculation. Should the volume-weighted average share price of the B Share during the mentioned period be so low that the number of Share Rights to be granted to the participants, calculated as above, exceeds 119,000, the number of Share Rights that each participant may be granted shall be reduced pro rata to the extent required for the program to include a maximum 119,000 Share Rights.

To be granted Share Rights, the participant must accept the grant and the terms and conditions of LTIP 2025 in writing.

The Share Rights shall be granted free of charge, as soon as reasonably practicable after the annual general meeting in 2025. Besides the first grant, taking place in close connection with the annual general meeting in 2025, the board of directors shall, if there is room left (within the maximum number of participants and the maximum number of Share Rights), have the right to grant Share Rights in connection with new recruitments to key positions which take place thereafter, however no later than the day before the annual general meeting in 2026. In such cases, the board of directors may also decide whether the participant shall be granted the full number of Share Rights or a reduced number.

#### *Vesting Period and allotment of B Shares*

The vesting period starts on the day the participant is granted the Share Rights and ends on the day falling three years after the first grant (the "**Vesting Period**"). Upon such subsequent grant of Share Rights which may occur in a recruitment context as described above, the Vesting Period for the participant in question may be shorter than three years, but never shorter than two years. According to the board of directors' assessment, it is advantageous to the Company to, in case of a new recruitment to a key position in the Group, be able to offer the key person in question the opportunity to participate in the same share-based incentive program as the other key persons in the Group, which, in the board of directors opinion, justifies a slightly shorter Vesting Period than three years in such situation.

Any allotment of B Shares based on Share Rights shall take place as soon as reasonably practicable after the end of the Vesting Period.

#### *Conditions for Share Rights*

The following conditions shall apply to the Share Rights:

- The Share Rights are granted free of charge.
- The Share Rights cannot be transferred or pledged.
- Each Share Right can entitle the participant to be allotted one B Share free of charge.
- A precondition for being allotted B Shares based on Share Rights is that the participant, with certain exceptions, remains employed in the Group during the Vesting Period. For allotment of B Shares it is further required that certain performance targets have been met in the manner described in more detail under the heading "*Performance targets*" below.
- The number of B Shares that each Share Right can entitle to allotment of shall be recalculated in the event of an extraordinary dividend. In this context, an extraordinary dividend shall refer to the portion of all dividends to the shareholders during a financial year that exceeds a 10 percent dividend yield. Further, the number of B Shares that each Share Right can entitle to allotment of, may, in accordance with the detailed terms and conditions that the board of directors stipulates, be subject to recalculation in case of bonus issues, share splits or reverse share splits, preferential rights issues or similar corporate events, taking customary practice for corresponding types of incentive programs into account.

If the number of B Shares that each Share Right can entitle to allotment of is recalculated, a corresponding recalculation shall be made to the maximum number of B Shares that can be allotted to the participants under LTIP 2025.

#### *Performance targets*

The performance targets consist of two targets – performance target 1 and performance target 2 – which are described in more detail below, where the two targets have the same weight, i.e. the targets are weighted 50 percent each. The number of Share Rights entitling to allotment of B Shares depend on to what degree the targets are met in relation the threshold and maximum levels set for each target. That a target is weighted at 50 percent means that 50 percent of the Share Rights that have been granted entitles to allotment of B Shares if the degree of fulfilment of the target reaches the maximum level and the other conditions for allotment are met.



Performance target 1 consists of the annual organic sales growth between the financial years 2024 and 2027, measured as a so called Compounded Annual Growth Rate ("**CAGR**") between the financial years 2024 and 2027. For any allotment at all according to performance target 1, it is required that the CAGR between the financial years 2024 and 2027 amounts to at least 15 percent (threshold level). For full allotment according to performance target 1, it is required that the CAGR between the financial years 2024 and 2027 amounts to at least 25 percent (maximum level). If the CAGR between the financial years 2024 and 2027 is equal to or less than the maximum level but exceeds the threshold level, allotment shall be made linearly based on intermediate values with start at 25 percent allotment at the threshold level (25 percent allotment means 25 percent of full allotment connected to the target).

Performance target 2 consists of an average weighted EBIT margin over the financial years 2025, 2026 and 2027, measured as the sum of operating profit divided by the sum of net sales for the financial years 2025, 2026 and 2027. For any allotment at all according to performance target 2, the average weighted EBIT margin for the financial years 2025, 2026 and 2027 is required to be at least 18 percent (threshold level). For full allotment according to performance target 2, it is required that the average weighted EBIT margin over the financial years 2025, 2026 and 2027 amounts to at least 23 percent (maximum level). If the average weighted EBIT margin for the financial years 2025, 2026 and 2027 are equal to or less than the maximum level but exceeds the threshold level, allotment shall be made linearly based on intermediate values with start at 25 percent allotment at the threshold level (25 percent allotment means 25 percent of full allotment connected to the target).

#### *Detailed terms and conditions and administration*

The board of directors shall be responsible for the preparation of the more detailed terms and conditions for LTIP 2025 and for the administration of the program within the above-mentioned conditions and guidelines. The board of directors shall also be entitled to make adjustments to fulfil specific regulations or market conditions in other jurisdictions or, if delivery of B Shares to participants outside Sweden cannot be made at reasonable costs and with reasonable administrative efforts, to make country-specific adjustments and/or offer cash settlement. If material changes occur in the Group or in its business environment that would entail that the decided terms and conditions for the Shares Rights no longer are appropriate or are unreasonable, the board of directors shall also have the right to make other adjustments. The board of directors shall also have the right to revoke the program. Before finally determining the number of B Shares to be allotted based on the Share Rights, the board of directors shall assess whether the outcome of LTIP 2025 is reasonable. This assessment shall be made in relation to the Company's and the Group's financial results and financial position, conditions on the stock market and other circumstances. If the board of directors is of the opinion that the outcome is not reasonable, the board of directors shall reduce the number of shares to be allotted.

The board of directors shall also have the right to make such adjustments that may become relevant due to legal or administrative conditions. In the case of a public takeover bid, a merger or any other similar transaction or event affecting the Company, the board of directors shall be entitled to decide that all or some of the Share Rights shall vest and entitle to allotment of B Shares in advance or that the Shares Rights shall be exchanged to other share rights.

The board of directors shall be entitled to delegate its rights and obligations related to LTIP 2025 to its remuneration committee.

#### *Costs, hedging measures and effect on key figures*

The Company will recognise costs based on the fair value of the Share Rights at grant, in accordance with IFRS 2. The costs will be accounted for as personnel costs in the income statement over the Vesting Period. In addition, any participants outcome will incur costs for social security contributions for the Company. The size of the social security contributions will be calculated based on the share price development for the B Share during the Vesting Period.

Based on the assumptions that the shares price will be SEK 100 when the Shares Rights are granted, cash dividends in line with analyst estimates during the Vesting Period, all participants who are offered to participate in the program participate, the employee turnover among the participants is zero percent during the Vesting Period, the performance targets are met to 100 percent, an annual share price increase of 10 percent during the period from the start of the program until B-shares are allotted and no changes in the percentages for social security contributions in any country during the program, the costs for LTIP 2025 are estimated to approximately SEK 13 million, of which approximately SEK 4 million are costs for social security contributions.

Based on the assumptions above, the annual costs, including social security contributions, are expected to amount to approximately SEK 4 million, which corresponds to approximately 1.6 percent of the Group's total personnel costs during the financial year 2024.

As the costs for social security contributions that are estimated to be incurred by the Company due to LTIP 2025 are relatively limited, the board of directors does not propose any hedging measures to be taken to secure the Company's exposure to the social security contribution costs that may incur.

The board of directors has considered two alternative hedging measures to secure the delivery of B Shares under LTIP 2025 – acquisition and transfer of own shares and share swap agreement with a third party. The board of directors considers the acquisition and transfer of own shares to be the most cost efficient and flexible method to hedge LTIP 2025. To hedge the delivery of shares under LTIP 2025 the board of directors therefore, in the first place, proposes that the annual general

meeting resolves on an authorisation for the board of directors to resolve on acquisition of own shares and resolves on transfer of own shares in accordance with (B) below. If the required majority for a resolution in accordance with the proposal under (B) below is not achieved, the board of directors, in the second place, proposes that the annual general meeting resolves on share swap agreement with a third party in accordance with (C) below. If the general meeting resolves on a share swap agreement with a third party in accordance with (C) below, additional costs will arise. The preliminary estimated additional costs for such agreement amount to approximately SEK 1 million.

The 119,000 B Shares that may be allotted to the participants in LTIP 2025 free of charge have a marginal impact on the key figure earnings per share.

#### *Other incentive programs*

There is one long-term share-related incentive program in the Company since earlier. It is a warrant-based incentive program that was resolved upon in December 2021 and which was directed to all employees in the Group at that time. As of 31 December 2024, there were 1,097,785 outstanding warrants in the program, which were held by 196 employees of the Group. Each warrant entitles the holder to subscribe for one new B Share at a subscription price of SEK 45 during the period 1 December – 31 December 2026. If all outstanding warrants are exercised for subscription of B Shares, the number of shares and votes in the Company will increase by 1,097,785, corresponding to a dilution of approximately 0.72 percent of the number of shares and approximately 0.23 percent of the number of votes in the Company.

#### *Majority requirement and condition*

For a valid resolution according to (A), the proposal must be supported by more than half of the votes cast at the meeting. If the meeting resolves in accordance with the proposal, the meeting's resolution shall be conditional on the meeting also resolving in accordance with the board of directors' proposal under (B) or (C) below.

(B) Resolution on authorisation for the board of directors to resolve on acquisition of own shares and resolution on transfer of own shares

#### *Authorisation to resolve on acquisition of own B Shares*

The board of directors proposes that the annual general meeting resolves to authorise the board of directors to, during the period until the next annual general meeting, on one or more occasions, resolve on acquisition of own B Shares in accordance with the following:

- A maximum of 119,000 B Shares may be acquired.
- Acquisitions of B Shares may only take place on Nasdaq Stockholm and may only be made at a price per share within the price range applicable from time to time, meaning the spread between the highest purchase price and the lowest selling price published by Nasdaq Stockholm.
- Payment for the shares shall be made in cash.
- Acquisitions may only be made for the purpose of hedging the delivery of B Shares to the participants of LTIP 2025.
- The number of B Shares that may be acquired may be subject to recalculation in case of bonus issues, share splits or reverse share splits, preferential rights issues or similar corporate events impacting the number of shares in the Company. The maximum number of B Shares in the Company that may be acquired shall, however, after recalculation, never exceed 0.08 percent of all shares in the Company at the said time.

#### *Transfer of own B Shares to participants in LTIP 2025*

The board of directors proposes that the annual general meeting resolves on transfer of own B Shares in accordance with the following:

- A maximum of 119,000 B Shares may be transferred free of charge to participants in LTIP 2025.
- Right to acquire B Shares free of charge shall, with deviation from the shareholders' preferential rights, be granted the participants in LTIP 2025. Furthermore, subsidiaries of the Company shall, with deviation from the shareholders' preferential rights, be entitled to acquire B Shares free of charge, whereby such subsidiaries shall be obligated to, in accordance with the terms and conditions of LTIP 2025, transfer the shares to participants in LTIP 2025.
- Transfer of B Shares shall be made free of charge at the time and on the other terms that the participants in LTIP 2025 are entitled to be allotted B Shares.
- The number of B Shares that may be transferred under LTIP 2025 may be subject to recalculation in case of bonus issues, share splits or reverse share splits, preferential rights issues, extraordinary dividends and/or similar corporate events. The number of shares that may be transferred may, however, never exceed the number of B Shares that the Company holds.

The reason for the deviation from the shareholders' preferential rights is that the transfer of the shares is a part of the execution of LTIP 2025.

#### *Majority requirement*

The board of director's proposals for resolutions under (B) constitutes a combined proposal, which shall be resolved upon as one resolution. The resolution is subject to the provisions in Chapter 16 of the Swedish Companies Act, and a valid resolution hence 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.

#### *(C) Resolution on share swap agreement with a third party*

If the required majority for a resolution in accordance with the proposal under (B) above is not achieved, the board of directors proposes that the annual general meeting, to hedge the delivery of B Shares to the participants in LTIP 2025, resolves that the Company shall be able to enter into a share swap agreement with a third party, whereby the third party against compensation, in its own name, shall acquire and transfer B Shares to the participants in LTIP 2025 in accordance with the terms and conditions of the program.

#### *Majority requirement*

For a valid resolution according to (C), the proposal must be supported by more than half of the votes cast at the meeting.

#### *Preparation of the proposals*

The board of director's proposal for resolutions under (A), (B) and (C) have been prepared by the remuneration committee and the board of directors together with external advisors. The board of directors has resolved to present the proposals at the annual general meeting.

### **Resolution on new issue of B shares as consideration to minority shareholders in foreign subsidiaries (item 16)**

engcon owns 80 percent of the shares in the subsidiaries engcon Denmark A/S, engcon Finland Oy and engcon France SAS (the "**Subsidiaries**"). The remaining shares in the Subsidiaries are owned by local executives etc. in the Subsidiaries, which has been considered to strengthen the community of interest between the local executives and the shareholders in engcon. In order to create a more efficient and uniform group structure while maintaining the community of interest between the local executives and engcon's shareholders, the Company has in April 2025 entered into a share purchase agreement under which engcon will acquire all shares in the Subsidiaries that engcon does not already own from the local executives. Thereby

engcon becomes the sole shareholder in the Subsidiaries. The purchase price corresponds to a total of approximately SEK 126 million, of which approximately SEK 63 million shall be paid in cash and approximately SEK 63 million shall be paid in the form of B shares in engcon, subject to approval by the general meeting of engcon.

In light of the above, the board of directors proposes that the annual general meeting resolves on a new issue of B shares to the minority shareholders as part of the purchase price in connection with engcon's acquisition of all shares in the Subsidiaries. It is the intention of the board of directors to resolve to authorise payment for the newly issued shares through set-off of issued promissory notes in accordance with the provisions of Chapter 13, Section 41 of the Swedish Companies Act.

The new share issue shall otherwise be subject to the following conditions.

1. Through the new issue, the Company's share capital will be increased by not more than SEK 97,276 through a new issue of not more than 694,827 B shares. Oversubscription is not possible.

2. The right to subscribe for the new shares shall, with deviation from the shareholders' preferential rights, be granted to a total of three local executives (directly or indirectly through companies) who are minority shareholders in the Subsidiaries. The reason for the deviation from the shareholders' preferential rights is to enable engcon to acquire the remaining 20 percent of the outstanding shares in each Subsidiary not already owned by engcon against payment in own shares in order to create a more efficient and uniform group structure while maintaining the community of interest with engcon's shareholders, which is deemed to be in the Company's favour.

3. The subscription price for the new shares is SEK 90.87. The share premium shall be added to the unrestricted share premium reserve.

4. Subscription for new shares shall be made through cash payment no later than 20 May 2025. Subscription for new shares may also be made on a subscription list during the same period if payment is to be made by set-off in accordance with Chapter 13, Section 41 of the Swedish Companies Act, and such payment shall be made within the subscription period. The board of directors is entitled to extend the subscription period and the time for payment.

5. The new shares shall entitle to dividend from the time the shares are entered in the share register held by Euroclear Sweden AB.

## SPECIAL MAJORITY REQUIREMENTS

For valid resolution under item 14, the proposal must be supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the meeting. For valid resolutions under item 15(B) and 16, the proposals must be supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the meeting.

## AUTHORISATION

The CEO, or anyone appointed by the CEO, shall be authorised to make the minor adjustments in the meeting's resolutions that may be required in connection with registration of the resolutions at the Swedish Companies Registration Office and Euroclear Sweden AB or due to other formal requirements.

## DOCUMENTS

The nomination committee's motivated statement as well as information on the proposed board members are kept available on the Company's website, [www.engcongroup.com](http://www.engcongroup.com). Accounting documents, the auditor's statement and other documents that shall be made available pursuant to the Swedish Companies Act and the Swedish Corporate Governance Code will be kept available at the Company and on the Company's website, [www.engcongroup.com](http://www.engcongroup.com), from no later than Thursday 24 April 2025, and will be sent immediately and free of charge for the recipient to any shareholder who requests the documents and provide their postal or e-mail address. The documents will also be available at the meeting.

## NUMBER OF SHARES AND VOTES

As of the date of the issuance of this notice, the total number of shares in the Company is 151,788,000 divided into 35,344,778 A shares and 116,443,222 B shares. Each A share entitles to ten votes and each B share entitles to one vote. At the time of issuance of this notice, the Company does not hold any of its own shares.

## SHAREHOLDER'S RIGHT TO REQUEST INFORMATION

The board of directors and the CEO shall, if any shareholder so requests and the board of directors believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that may affect the assessment of the Company's or its subsidiaries' financial situation and the Company's relationship to another group company and the consolidated financial statements. Shareholders who wish to send in questions in advance can do so in writing to engcon AB, Godsgatan 6, SE-833 36 Strömsund, Sweden or by e-mail to [susanne.fundin@engcon.se](mailto:susanne.fundin@engcon.se).

## **PERSONAL DATA PROCESSING**

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

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Strömsund in April 2025

**engcon AB**

*Board of directors*

### **Attachments**

**Notice to Annual General Meeting of engcon AB**