

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Item 19: Resolution on issue authorisation for the Board of Directors

The Board of Directors proposes that the Annual General Meeting shall decide to authorise the Board of Directors to, at one or several occasions until the next Annual General Meeting, resolve to issue, with or without preferential rights for the shareholders, against payment in cash, payment in kind or payment through set-off, shares or share warrants or convertibles referring to such shares, signifying an increase or potential increase of the company's share capital with a maximum of ten per cent or 2,190,934 shares.

The purpose of the authorisation and the reasons for a possible deviation from the shareholders' preferential rights is that new issues of shares shall be able to occur to finance acquisitions of companies, to raise capital, or to finance further growth in the company in other ways.

Majority requirement

Resolution in accordance with the Board of Directors' proposal requires that shareholders representing a minimum of 2/3 of both the votes cast and the shares represented at the Annual General Meeting approve the proposal.

Authorisation

The Board of Directors, or any person appointed by the Board of Directors, is authorised to make such minor adjustments to the Annual General Meeting's resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal requirements.

Växjö in April 2023
Balco Group AB (publ)
The Board of Directors

Item 20: Resolution on authorisation for the Board of Directors concerning acquisition and transfer of shares

Item 20 a): Resolution on authorisation for the Board of Directors to resolve on acquisition of own shares

The Board of Directors proposes that the Annual General Meeting shall decide to authorise the Board of Directors to, at one or several occasions until the next Annual General Meeting, on the following terms, acquire own shares in the share class that, at the time of the utilisation of the authorisation, are admitted to trading on Nasdaq Stockholm.

Acquisitions of shares in the company may be carried out on Nasdaq Stockholm. The number of shares that may be acquired shall not exceed a number implying that the company's total shareholding of own shares after acquisition corresponds to more than one tenth of all shares in the company at any time. The shares in the company on Nasdaq Stockholm shall be acquired only within the from time to time registered price range, *i.e.* the spread between the highest purchase price and the lowest selling price.

The purpose of the proposed authorisation to acquire own shares is to enable an improvement of the company's capital structure and to give the Board of Directors an increased scope of action, including to be able to use own shares as payment in connection with the acquisition of companies.

Item 20 b): Resolution on authorisation for the Board of Directors to resolve on transfer of own shares

The Board of Directors proposes that the Annual General Meeting shall decide to authorise the Board of Directors to, at one or several occasions until the next Annual General Meeting, on the following terms, resolve on transfers of own shares in the share class that, at the time of the utilisation of the authorisation, are admitted to trading on Nasdaq Stockholm.

Transfers of own shares may be carried out on Nasdaq Stockholm or by other means. Transfers of own shares may be made with deviation from the preferential rights of the shareholders. The maximum number of shares that may be transferred is the total number of own shares held by the company at the time of the Board of Directors' resolution to transfer the shares. Transfers of own shares on Nasdaq Stockholm shall be carried out at a price within the from time to time registered price range, *i.e.* the spread between the highest purchase price and the lowest selling price. Transfers of own shares in another manner shall be made at a minimum price that shall be determined in close connection with the shares' quoted price at the time of the Board of Directors' resolution to transfer the shares. Payment for own shares that are transferred can be made in cash, in kind or through set-off. The Board of Directors is entitled to determine the other terms and conditions of the transfer which, however, shall be in accordance with the market practice.

The purpose of the proposed authorisation to transfer own shares and the reason for the deviation from the shareholders' preferential rights is to enable an improvement of the company's capital structure and to give the Board of Directors an increased scope of action in relation to future acquisitions by facilitating a fast and cost-effective financing through the disposition of own shares.

Majority requirement

Resolution in accordance with the Board of Directors' proposals requires that shareholders representing a minimum of 2/3 of both the votes cast and the shares represented at the Annual General Meeting approve the proposal.

Authorisation

The Board of Directors, or any person appointed by the Board of Directors, is authorised to make such minor adjustments to the Annual General Meeting's resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal requirements.

Växjö in April 2023
Balco Group AB (publ)
The Board of Directors

Item 22: Resolution on the establishment of incentive program 2023/2026

through

**a) issue of warrants with deviation from the shareholders' preferential rights, and
b) approval of the transfer of the warrants to senior executives in the Company and other Group companies**

The Board proposes that the Annual General Meeting resolves to implement an incentive program in the Company to current and future senior executives in the Company and, where applicable, its subsidiaries by A) issuing warrants to the wholly-owned subsidiary Balco AB, reg. no. 556299-4482 (the "Incentive Company"), and B) approve the transfer of the issued warrants of the program to the participants in the incentive program 2023/2026.

Background and motive

The Board deems it important and in the interest of all shareholders that the employees within the Balco Group have a long-term interest in the positive development of the share in the Company. At the Extraordinary General Meeting 2020, the Annual General Meeting 2021 and the Annual General Meeting 2022, the Company resolved to implement a warrant-based incentive programs. These incentive programs are still outstanding. No more warrants may be transferred to participants in these incentive programs.

The motive for the proposal and the reason for the deviation from the shareholders' preferential rights is that the Board assess that a personal long-term ownership interest for the management is expected to contribute to an increased interest for the Company's business and earnings development. Through a warrant-based incentive program for employees within the Balco Group, employees' rewards can be linked to the Company's future earnings and value development. The long-term value increase is thereby rewarded and shareholders and concerned employees get the same objective. Incentive programs are also considered to facilitate the recruitment and retainment of key employees. The Board therefore assesses, based on the outline of the incentive program, that there is no need to establish any predetermined and measurable performance criteria for the participants in the program.

In light of the terms, the size of the allocation and other circumstances, the Board assesses that the proposed incentive program, in accordance with the following, is both reasonable and favorable for the Company and its shareholders.

The detailed terms and principles for the Incentive Program 2023/2026 are described below.

A. Issue of warrants to the Incentive Company

The Board proposes that the Annual General Meeting resolves to issue not more than 220,000 warrants, entitling for subscription for an equal number of shares in the Company. If all warrants are used for subscription of shares, the Company's registered share capital will increase with not more than SEK 1,320,051.81 kronor. In addition, the following terms shall apply for the resolution.

The right to subscribe for the warrants shall, with deviation from the shareholders' preferential

rights, only vest in the Incentive Company, with the right and obligation to transfer the warrants to the participants in the Incentive Program 2023/2026 in accordance with the proposal under point B below. There can be no oversubscription.

The reason for the deviation from the shareholders' preferential rights is the introduction of the Incentive Program 2023/2026 and appears under the heading "Background and reason" above.

The warrants shall be issued at no consideration.

Subscription for warrants shall be made on a separate subscription list within three weeks from the date of the resolution on the issue of warrants. The Board shall be entitled to extend the subscription period.

Subscription for shares at exercise of the warrants can be made according to the following schedule:

For warrants 2023/2026 during the period from and including the day that falls three (3) years after the day the board decides for the first time to transfer the warrants to the participants up to and including the day that falls 30 calendar days thereafter, but no later than from and with the day that falls 3 years and eight months from the date of the general meeting's decision to issue the warrants.

Each warrant shall entail a right to subscribe for a new B share in the Company at a subscription price corresponding to 120 percent of the volume-weighted average price of the Company's share according to Nasdaq Stockholm's official price list during the ten trading days preceding (but not including) the day on which the board for the first time decides on the transfer of the warrants. However, the subscription price cannot fall below the quota value. The subscription price must be rounded to the nearest 0.10 SEK, whereby 0.05 SEK must be rounded downwards.

Any premium when subscribing for new shares when exercising a warrant shall be transferred to the unrestricted premium reserve.

The shares subscribed for by exercising warrants shall entitle to dividends for the first time on the record date for dividends that occurs after the subscription is affected.

For the warrants, the terms and conditions set out in the complete terms and conditions for the warrants, Appendices A shall apply. As stated in the complete terms and conditions, the subscription price as well as the number of shares that each warrant entitles to subscribe for may be recalculated in the event of a bonus issue, new share issue and in certain other cases. Recalculation can also take place when subscribing for shares through a so-called Net Strike formulae. Furthermore, the time for the exercise of the warrants may be brought forward and postponed in certain cases.

The new shares that may be issued at subscription are not subject to any restrictions.

The Board or a person appointed by the Board shall be authorized to make any minor

adjustments required to register and execute the resolution.

B. Transfer of warrants to senior executives

The Board propose that the Annual General Meeting resolves to approve that the Incentive Company transfer not more than 220,000 warrants, , to the management of the Company or other Group Company under the Incentive Program 2023/2026, on the following terms:

Under Incentive Program 2023/2026, a right to purchase warrants from the Incentive Company shall vest in current and future senior executives in the Company or other Group Company.

The Board shall be entitled to decide which individuals of the management are to be offered to acquire warrants in accordance with the guidelines above.

The participants may choose to subscribe for a lower number of warrants than stated above. The warrants shall be transferred to the participants on market terms at a price that is determined based on an estimated market value of the warrants using the Black-Scholes Model, based on the prevailing market conditions on the day of the onward transfer.

Estimation of market value and estimation of subscription price regarding subscription of a new share in the Company shall be carried out by an independent valuer.

Notification of the acquisition of warrants may be made during the period from and including the date of the general meeting's decision to issue the warrants and for a period of eight months thereafter.

The Board shall however be entitled to prolong or adjust the application period for acquiring warrants.

A prerequisite for the allotment of warrant is that (i) the participant's employment or assignment with the Company or other Group Company has not been terminated nor been given any notice of termination at the end of the subscription period for each series and (ii) that the participant has entered into a pre-emption agreement with the Company, according to which the participant is obliged to offer the Company to repurchase his/her warrants if the participant's employment ends.

Any warrants held by the Incentive Company which have not been acquired/transferred according to the above may, with the consent of the Board in the Incentive Company, be cancelled by a resolution of the Company's Board. Cancellation shall be registered with the Swedish Companies Registration Office.

Financing and bonus offer

The participants are offered an opportunity to receive a bonus amounting to the participants premium for the warrants, provided the participants employment with the Company or other Group Company is not terminated until three years has passed.

In case a right to early exercise of the allocated warrants exists, for instance, but not limited to, a delisting or a sale of the majority of the shares in the Company, the participants shall be offered a possibility to receive the bonus even if the time limits above have not been met.

The Board or a person appointed by the Board is also entitled to offer a bonus for allotted warrants if a change of circumstances attributable to the participant occur, for example death, sickness or other distressing circumstances.

The participant is responsible for the financing of the premium at the purchase of the warrants.

Supplementary information

Effect on key figures and costs for the Company etc.

The current incentive program is expected to have a minor impact on the Company's key figures.

Based on a price for the Company's share of 45 SEK, a subscription price of 54 SEK per share, a risk-free interest rate of 2.59 percent and a volatility of 30 percent, the value per warrant has been estimated at 4.70 SEK, which gives a value for all warrants of approximately 1,0 MSEK.

Calculated on the basis of the above estimated value for the warrants, the incentive program is expected to incur costs of approximately 1.3 MSEK, relates to the cash subsidy to the participants and social security contributions. In addition, minor costs for foreign social security charges may also be levied for participants in other countries. In addition, the incentive program is expected to entail certain limited costs in the form of external consulting fees and administration regarding the warrants and the program as a whole. Based on the above, no actions have been taken to hedge the program.

Dilution

The estimated maximum dilution of the Incentive Program 2023/2026 is approximately 1,0 percent of the share capital and votes in the Company (based on the number of shares outstanding in the Company after the exercise of the warrants).

In total, 797,498 warrants are outstanding and held by participants in the Incentive programs 2020/2023, 2021/2024 and 2022/2025, resolved at the 2020 Extraordinary General Meeting, the 2021 Annual General Meeting and the 2022 Annual General Meeting. No more warrants may be transferred to participants in these incentive programs. Outstanding warrants from the incentive programs resolved at the 2020 Extraordinary General Meeting, the 2021 Annual General Meeting and the 2022 Annual General Meeting together with the proposed incentive program comprise a maximum of 1,039,998 warrants that can be exercised for subscription of a maximum of 1,039,998 shares in total, which corresponds to a dilution effect of a maximum of approximately 4,7 percent of the share capital and votes in the Company.

Other share based incentive programs

At the Extraordinary General Meeting on 24 November 2020, at the Annual General Meeting on 25 May 2021 and at the Annual General Meeting on 24 May 2022 a similar program (Incentive Program 2020/2023, Incentive Program 2021/2024 and Incentive Program 2022/2025) through

an issue of a maximum of 400 000, 200 000 respective 220 000 warrants, granting the right to subscribe for an equal number of shares, was approved. The programs was offered to approximately fifty employees within the Company's management. In total 797,498 warrants of the issued warrants have been acquired, 400,000 by series 2020/2023, 199,998 by series 2021/2024 and 197,500 by series 2022/2025.

The warrants of series 2020/2023 may be exercised for subscription of shares from and including 16 December 2023 to and including 15 January 2024. Each warrant gives the right to subscribe for one share at a price of SEK 99.20 per share.

The warrants of series 2021/2024 may be exercised for subscription of shares from and including 25 May 2024 to and including 24 June 2024. Each warrant gives the right to subscribe for one share at a price of SEK 107.70 per share.

The warrants of series 2022/2025 may be exercised for subscription of shares from and including 1 September 2025 to and including 30 September 2025. Each warrant gives the right to subscribe for one share at a price of SEK 79.40 per share.

Preparation of the proposal

The principles for the warrant program have been developed by the Company's Remuneration Committee and the Board. The proposal has been prepared with the assistance of external advisors. The Board has subsequently decided to submit this proposal to the Annual General Meeting. Except for the officials who prepared the matter pursuant to instructions from the Board, no employee that may be included in the program has taken part in the preparation thereof.

Majority requirement

A resolution to approve Incentive Program 2023/2026 as set out in A and B above shall be made as one decision and is therefore conditional upon each other. A resolution is valid only when supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the meeting.

Växjö in April 2023
Balco Group AB (publ)
The Board of Directors