

Protokoll fört vid årsstämma med aktieägarna i
GARO Aktiebolag (publ), org.nr 556051-7772,
i Hillerstorp, Gnosjö kommun den 13 maj 2026

*Minutes kept at the Annual General Meeting of
shareholders in **GARO Aktiebolag (publ)**, corporate ID
No. 556051-7772, held in Hillerstorp, Gnosjö municipality
Sweden, on 13 May 2026*

§ 1.

Stämman öppnades av styrelsens ordförande, Axel Barnekow Widmark.

The Chairperson of the Board, Axel Barnekow Widmark, opened the Meeting.

§ 2.

Axel Barnekow Widmark utsågs att såsom ordförande leda förhandlingarna vid stämman. Det antecknades att såsom sekreterare vid stämman tjänstgjorde advokat Aleksander Ivarsson.

Beslutades att gäster fick närvara vid stämman.

Axel Barnekow Widmark was appointed Chairperson to lead the proceedings at the Meeting. It was noted that the attorney Aleksander Ivarsson served as secretary at the Meeting.

It was resolved that guests could attend the Meeting.

§ 3.

De aktieägare som upptagits såsom närvarande i bilagda förteckning Bilaga 1 hade inom föreskriven tid anmält sitt deltagande i stämman. Förteckningen godkändes såsom röstlängd vid stämman.

The shareholders recorded as present in the enclosed Appendix 1 had announced their intent to participate in the Meeting within the stipulated time. The list was approved as the voting list at the Meeting.

§ 4.

Det i kallelsen intagna förslaget till dagordning godkändes av stämman.

The proposed agenda included in the notice was approved by the Meeting.

§ 5.

Lars Kvarnsund och Tomas Risbecker (representerande Svolder och Tredje AP-fonden), utsågs att jämte ordföranden justera dagens protokoll.

Lars Kvarnsund and Tomas Risbecker (representing Svolder and the Third Swedish National Pension Fund), were appointed to approve the minutes, jointly with the Chairperson.

§ 6.

Anmälades att kallelse till stämman skett genom annonsering i Post- och Inrikes Tidningar den 9 april 2026 samt att kallelsen offentliggjorts och hållits tillgänglig på bolagets webbplats den 2 april 2026. Att kallelse har skett har vidare annonserats i Dagens industri den 9 april 2026. Stämman konstaterades vara i behörig ordning sammankallad.

It was reported that notice to attend the Annual General Meeting had been published on 9 April 2026 in Post- och Inrikes Tidningar and that the notice was made available at the company's website on 2 April 2026. Further, on 9 April 2026 the Company announced in Dagens industri that notice had been issued. It was determined that the Meeting had been duly convened.

§ 7.

Ordföranden lämnade ordet till den tillförordnade verkställande direktören Joe Ree för föredragning avseende verksamhetsåret 2025 och frågor från aktieägare besvarades.

The Chairperson gave the floor to the interim CEO Joe Ree for a report on the business year 2025 and questions from the shareholders were answered.

§ 8. (a) – (b)

Ordföranden upplyste att årsredovisning med tillhörande balans- och resultaträkning och revisionsberättelsen samt koncernbalans- och koncernresultaträkning och koncernrevisionsberättelsen för räkenskapsåret 2025, liksom revisorsyttrande om huruvida de riktlinjer för ersättning till ledande befattningshavare följts, har funnits tillgängliga på bolagets hemsida och skickats till de aktieägare som anmält att de vill erhålla dessa. Konstaterades att ovan nämnda handlingar ansågs framlagda vid stämman.

Auktoriserade revisorn Carolina Timén föredrog revisionsberättelsen och koncernrevisionsberättelsen. I samband härmed bereddes tillfälle för aktieägarna att ställa frågor.

The Chairperson reported that the Annual Report with the accompanying Balance Sheet and Income Statement and the auditor's report, and the Consolidated Balance Sheet and Consolidated Income Statement and the consolidated auditor's report for the financial year 2025, as well as the statement of the auditor on the compliance of the guidelines for remuneration to the CEO and other senior executives have been available on the company's website and have been distributed to all shareholders who registered that they wished to receive a copy. It was noted that the aforementioned documents were considered presented at the Meeting.

Carolina Timén, authorised public accountant, presented the Auditor's Report and the Group Auditor's Report. In relation hereto, the shareholders were given the opportunity to ask questions.

§ 9.

Stämman beslutade härefter:

The Meeting hereafter resolved:

a) att fastställa den framlagda resultaträkningen och balansräkningen samt även koncernresultaträkningen och koncernbalansräkningen.

a) to adopt the Income Statement and Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet as presented.

b) att, i enlighet med styrelsens förslag, ingen utdelning skulle lämnas och de till årsstämman förfogande stående medel om totalt 272 303 046 kronor skulle balanseras i ny räkning.

b) to, in accordance with the Board's proposal, not distribute any dividend and that the company's funds available for distribution, amounting to SEK 272,303,046, shall be carried forward.

c) att bevilja styrelsens ledamöter och de tidigare verkställande direktörerna Patrik Andersson och Jonas Klarén ansvarsfrihet för räkenskapsåret 2025.

Det antecknades att berörda personer, i den mån de var upptagna i röstlängden, inte deltog i beslutet såvitt avsåg dem själva.

c) to discharge the Board members and the former CEOs Patrik Andersson and Jonas Klarén from liability for their administration of the company for the financial year 2025.

It was noted that each person concerned, if registered in the voting list, did not participate in the resolution regarding themselves.

§ 10.

Niklas Bogefors, representerande valberedningen, redogjorde för valberedningens arbete och förslag, inklusive det reviderade förslaget, inför årsstämman 2026. I samband härmed bereddes tillfälle för aktieägarna att ställa frågor.

Stämman beslutade i enlighet med valberedningens förslag att antalet styrelseledamöter skulle vara sex stycken, utan suppleanter samt att antalet revisorer oförändrat skulle vara en, utan revisorssuppleanter.

Niklas Bogefors, representing the Nomination Committee, reported on the work and proposals, including the revised proposal, of the Nomination Committee in respect of the Annual General Meeting 2026. In relation hereto, the shareholders were given the opportunity to ask questions.

The Meeting resolved in accordance with the proposal of the Nomination Committee that the number of Board members shall be six, without deputy members and that the number of auditors shall continue to be one, without deputy auditors.

§ 11.

Stämman beslutade i enlighet med valberedningens förslag att arvode till av bolagsstämman valda styrelseledamöter ska vara oförändrade och utgå med 725 000 kronor till ordföranden och 300 000 kronor till var och en av de övriga bolagsstämموالدا ledamöterna som inte är anställda i koncernen. Vidare beslutade stämman i enlighet med valberedningens förslag att arvode till ledamöterna i revisionsutskottet ska utgå med 100 000 kronor till ordföranden och 50 000 kronor till var och en av de övriga ledamöterna i revisionsutskottet samt att arvode till ledamöterna i ersättningsutskottet ska utgå med 50 000 till ordföranden och 25 000 till var och en av de övriga ledamöterna i ersättningsutskottet.

Stämman beslutade i enlighet med valberedningens förslag att arvode till revisorn ska utgå i enlighet med godkänd räkning.

The Meeting resolved in accordance with the proposal of the Nomination Committee that fees to the members of the Board elected by the Annual General Meeting, excluding remuneration for Committee work, shall be unchanged and be SEK 725,000 to the Chairperson of the Board and SEK 300,000 to each of the other Board members elected by the Annual General Meeting who are not employed by the group. Further, the Meeting resolved in accordance with the proposal of the Nomination Committee that fees to the members of the Audit Committee shall be SEK 100,000 to the Chairperson and SEK 50,000 to each of the other members of the Audit Committee and that fees to the members of the Remuneration Committee shall be SEK 50,000 to the Chairperson and SEK 25,000 to each of the other members of the Remuneration Committee.

The Meeting resolved in accordance with the proposal of the Nomination Committee that fee to the auditor shall be paid according to approved invoice.

§ 12.

Noterades att valberedningen, enligt sitt reviderade förslag, föreslagit omval av styrelseledamöterna Axel Barnekow Widmark, Kristine Lindberg, Johan Paulsson och Lars Kongstad, samt nyval av Jacob Jonmyren och Anna Blomqvist. Noterades vidare att valberedningen föreslagit omval av Axel Barnekow Widmark som styrelsens ordförande.

Upplyste ordföranden att de till omval föreslagna ledamöternas uppdrag i andra företag finns angivna i årsredovisningen samt att den till nyval föreslagna ledamotens uppdrag finns angivna i valberedningens förslag och motiverade yttrande. Konstaterades att de uppdrag vilka de föreslagna styrelseledamöterna har i andra företag skulle anses såsom föredragna vid stämman.

Stämman valde för tiden intill slutet av nästa årsstämma till:

styrelseledamöter: Axel Barnekow Widmark, Kristine Lindberg, Johan Paulsson och Lars Kongstad (samtliga omval), Jacob Jonmyren och Anna Blomqvist (båda nyval).

styrelsens ordförande: Axel Barnekow Widmark (omval).

Informerade ordföranden att arbetstagarorganisationerna IF Metall och Unionen utsett Jonas Lohtander respektive My Bäck till ordinarie arbetstagarrepresentanter i styrelsen.

It was noted that, in accordance with its revised proposal, the Nomination Committee had proposed re-election of the Board members Axel Barnekow Widmark, Kristine Lindberg, Johan Paulsson and Lars Kongstad, and new election of Jacob Jonmyren and Anna Blomqvist. Further, it was noted that the Nomination Committee had proposed re-election of Axel Barnekow Widmark as Chairperson of the Board.

The Chairperson informed that assignments in other companies of the Board members proposed for re-election are presented in the Annual Report and that assignments in other companies of the Board member proposed for new election are presented in the Nomination Committee's proposal and reasoned statement. It was noted that the proposed Board members' assignments in other companies should be regarded as presented at the Annual General Meeting.

For the period until the close of the next Annual General Meeting, the Meeting elected:

Board members: Axel Barnekow Widmark, Kristine Lindberg, Johan Paulsson and Lars Kongstad (all re-election), Jacob Jonmyren and Anna Blomqvist (both new election).

Chairperson of the Board: Axel Barnekow Widmark (re-election).

The Chairperson informed that the employee organizations IF Metall and Unionen had appointed Jonas Lohtander and My Bäck, respectively, as ordinary employee representatives of the Board.

§ 13.

Stämman omvalde Ernst & Young AB till bolagets revisor till och med utgången av nästa årsstämma. Informerades om att auktoriserade revisorn Carolina Timén kommer att vara huvudansvarig revisor för bolaget.

The Meeting re-elected Ernst & Young AB as auditor for the Company until the end of the next Annual General Meeting. It was informed that Carolina Timén will be auditor in charge.

§ 14.

Det antecknades att styrelsens ersättningsrapport enligt 8 kap 53 a § aktiebolagslagen funnits tillgänglig, senast tre veckor innan stämmodagen, hos bolaget, på bolagets hemsida och skickats till aktieägare som så begärt. Konstaterades att ersättningsrapporten ansågs framlagd vid stämman.

Stämman beslutade att godkänna styrelsens ersättningsrapport enligt 8 kap 53 a § aktiebolagslagen.

It was noted that the Board's remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act was available, no later than three weeks before the date of the Annual General Meeting, at the company, at the company's website and sent to shareholders who so requested. It was noted that the Board's remuneration report was considered presented at the Meeting.

The Meeting resolved to approve the Board's remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

§ 15.

Ordföranden redogjorde för styrelsens förslag avseende riktlinjer för ersättning till ledande befattningshavare, Bilaga 2.

Stämman beslutade om riktlinjer i enlighet med styrelsens förslag.

The Chairperson presented the Board's proposal regarding guidelines for remuneration to the CEO and other senior executives, Appendix 2.

The Meeting resolved to adopt the guidelines in accordance with the Board's proposal.

§ 16.

Beslutade stämman i enlighet med styrelsens förslag om bemyndigande för styrelsen att fatta beslut om nyemission av aktier i samband med företagsförvärv, Bilaga 3.

Det antecknades att beslutet var enhälligt och att beslutet således fattats med erforderlig majoritet om två tredjedelar av såväl avgivna röster som vid stämman företrädde aktier.

The Meeting resolved on authorisation for the Board of Directors to resolve on new issues of shares in connection with acquisitions in accordance with the proposal by the Board, Appendix 3.

It was noted that the resolution was adopted unanimously, and that the resolution was thus taken with the required majority of two thirds of the votes cast as well as of the shares represented at the Meeting.

§ 17.

Beslutade stämman i enlighet med styrelsens förslag om bemyndigande för styrelsen att fatta beslut om återköp och överlåtelse av egna aktier, Bilaga 4.

Det antecknades att beslutet var enhälligt och att beslutet således fattats med erforderlig majoritet om två tredjedelar av såväl avgivna röster som vid stämman företrädde aktier.

The Meeting resolved on authorisation for the Board of Directors to resolve on repurchase and transfer of own shares in accordance with the proposal by the Board, Appendix 4.

It was noted that the resolution was adopted unanimously, and that the resolution was thus taken with the required majority of two thirds of the votes cast as well as of the shares represented at the Meeting.

§ 18.

Beslutade stämman i enlighet med styrelsens förslag om incitamentsprogram för den tillträdande VDn Tobias Byfeldt genom (A) riktad emission av teckningsoptioner och (B) överlåtelse av teckningsoptioner av serie 2026/2029, Bilaga 5.

Det antecknades att beslutet var enhälligt och att beslutet således fattats med erforderlig majoritet om nio tiondelar av såväl avgivna röster som vid stämman företrädde aktier.

The Meeting resolved on an incentive program for the incoming CEO, Tobias Byfeldt, by way of (A) directed issue of subscription warrants and (B) transfer of subscription warrants of series 2026/2029, Appendix 5.

It was noted that the resolution was adopted unanimously, and that the resolution was thus taken with the required majority of nine-tenths of the votes cast as well as of the shares represented at the Meeting.

§ 19.

Tackade ordföranden stämmodeltagarna för visat intresse och förklarade stämman avslutad.

The Chairperson thanked the shareholders present for their interest and declared the Meeting closed.

Vid protokollet:
Minutes recorded by:

Aleksander Ivarsson

Justeras:
Approved by:

Axel Barnekow Widmark

Lars Kvarnsund

Tomas Risbecker



The Board of Directors' proposal on guidelines for remuneration for senior executives

The Board of Directors proposes that the Annual General Meeting 2026 resolves on the following guidelines for remuneration for senior executives. In relation to the current guidelines, the proposal mainly implies certain editorial amendments. The Board of Directors has not received any views from the shareholders on the existing guidelines for remuneration to senior executives.

Scope of the guidelines, etc.

The persons that during the guidelines duration are part of the Group management and other senior executives that report directly to the CEO and Board Members that are employed by the company, hereinafter referred to as "senior executives", fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2026. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

If a Board Member conducts work for the company that is not Board work, remuneration shall be paid on market terms taking into account the nature and effort of the work. The remuneration shall be determined by the Board (or the General Meeting if required by law). Board Members employed by the company shall not receive separate remuneration for Board assignments in the company or affiliate companies.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

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

In short, the company's business strategy is to, with a focus on innovation, sustainability and design, provide profitable complete solutions for the electrical industry. For more information regarding the company's business strategy, please see <https://www.garogroup.se/en/our-mission>. A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the General Meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration. The Board of Directors has proposed that the Annual General Meeting 2026 resolves on a long-term incentive program through issuance and transfer of subscription warrants to the CEO. The Annual General Meeting 2025 resolved on a long-term incentive program through the issuance and transfer of subscription warrants to key individuals in the group.

Variable cash remuneration

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration for the CEO may not amount to more than MSEK 2 per year and shall not be pensionable income. The variable cash remuneration to other senior executives shall not exceed 30 per cent of the fixed annual cash salary. The variable cash remuneration shall be linked to clear performance related criteria in easy and transparent designs. The criteria can be financial, non-financial or be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development. Currently, these criteria include among others sales and earnings based financial criteria.

When the measurement period has ended, an assessment/evaluation to which extent the criteria for awarding variable cash remuneration have been satisfied shall be made. The Board of Directors is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on established financial data for the relevant period.

Pension benefits

For the CEO, pension benefits, including health insurance (Sw: *sjukförsäkring*), shall be premium defined. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the pensionable income. For other executives, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the pensionable income.

Other benefits

The non-cash remuneration to the Group management, e.g. car allowance, computer, cell-phone, additional private health insurance or private health service, can be paid to the extent considered to be in accordance with relevant market terms for senior executives at other corresponding positions on the market on which the company operates. Such benefits may amount to not more than 15 per cent of the fixed annual cash salary.

Termination of employment

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the CEO's fixed cash salary for two years, and one year for other executives. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The Remuneration Committee's tasks include to prepare the Board of Directors' proposal for guidelines for remuneration to senior executives. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the

Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Gnosjö in April 2026
GARO Aktiebolag (publ)
The Board of Directors



The Board of Directors proposal for resolution on authorisation for the Board of Directors to resolve on new issues of shares in connection with acquisitions

The Board of Directors proposes that the Annual General Meeting (the “AGM”) resolve to authorise the Board of Directors to, on one or several occasions up to the next AGM, with or without deviation from the shareholders’ preferential right, resolve on new issues of shares in connection with acquisitions. The total number of shares that may be issued, by way of a new share issue, by virtue of the authorisation shall be within the limits of the Articles of Association and not exceed ten (10) percent of the total number of shares in GARO at the time of the Board of Directors’ resolution. The authorisation includes a right to resolve on new issues by contribution in kind or payment by set-off in connection with acquisitions. The issue price shall, in the case of deviation from the shareholders’ preferential right, be determined in accordance with market practice. The Board of Directors shall be entitled to determine other terms of the issue.

The purpose of the authorisation, and the reason for deviation from the shareholders’ preferential right, is to enable the company to acquire companies, businesses or parts thereof.

The Board of Directors, the CEO or a person appointed by one of them shall be entitled to make any minor adjustments to the above decision that might be required in connection with registration with the Swedish Companies Registration Office.

Majority requirements

In order for the AGM’s resolution in accordance with the Board of Directors’ proposal as set out above to be valid, the resolution requires approval of shareholders representing at least two-thirds of the votes cast and the shares represented at the AGM.

Gnosjö in April 2026
GARO Aktiebolag (publ)
The Board of Directors



The Board of Directors proposal for resolution on authorisation for the Board of Directors to resolve on repurchase and transfer of own shares

The Board of Directors proposes that the Annual General Meeting (the “AGM”) resolve to authorise the Board of Directors to resolve on acquisition of own shares, on the following terms and conditions:

- (i) acquisition may take place on Nasdaq Stockholm and in accordance with Nasdaq Stockholm’s Rule Book for Issuers on the Main Market, on one or more occasions prior to the next AGM;
- (ii) acquisition may be made of such number of shares that GARO’s holding of own shares does not at any time exceed ten (10) percent of the total number of shares in the company;
- (iii) acquisitions of shares on Nasdaq Stockholm shall be made with due observance of the price limitations set out in Nasdaq Stockholm’s Rule Book for Issuers on the Main Market, where it is stated that shares may not be acquired at a price higher than the highest of the price of the most recent independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out. Acquisitions may not be made at a price lower than the lowest price at which an independent acquisition can be made; and
- (iv) payment of acquired shares shall be made in cash.

Furthermore, the Board of Directors proposes that the AGM resolve to authorise the Board of Directors to resolve on transfer of own shares, with deviation from the shareholders’ preferential right, on the following terms and conditions:

- (i) transfer may take place on Nasdaq Stockholm and/or outside of Nasdaq Stockholm in connection with acquisition of companies or businesses, on one or more occasions prior to the next AGM;
- (ii) transfer may be made up to such number of shares that are held by GARO at the time of the Board of Directors’ resolution on the transfer; and
- (iii) transfer of shares on Nasdaq Stockholm shall be made at a price which falls within the prevailing price range registered at each point in time, meaning the range between the highest purchase price and the lowest selling price. For transfers outside of Nasdaq Stockholm, payment may be made in non-cash consideration or through set-off and the price is to be determined so that the transfer takes place on market terms.

The purpose of the proposed authorisation, and the reason for the deviation from the shareholders’ preferential right as regards the transfer of own shares, is to enable financing of acquisitions by using own shares and to enable the Board of Directors to continuously adapt GARO’s capital structure to the company’s capital requirements by cancellation of shares.

The Board of Directors shall be entitled to resolve on the other terms and conditions for repurchase and transfer of own shares. The Board of Directors, or the person appointed by the Board of Directors, is authorised to make such minor adjustments in the above proposal that may prove to be necessary in connection with execution of the Board of Directors’ resolution on repurchase and transfer of own shares.

Majority requirements

In order for the AGM's resolution in accordance with the Board of Directors' proposal as set out above to be valid, the resolution requires approval of shareholders representing at least two-thirds of the votes cast and the shares represented at the AGM.

Gnosjö in April 2026
GARO Aktiebolag (publ)
The Board of Directors



Proposal by the Board of Directors for an incentive program for the CEO by way of (A) directed issue of subscription warrants and (B) transfer of subscription warrants of series 2026/2029

The Board of Directors of GARO Aktiebolag (publ) (“**GARO**” or the “**Company**”) proposes that the Annual General Meeting (the “**AGM**”) 2026 resolves on an incentive program for the incoming CEO Tobias Byfeldt (the “**CEO**”) based on issue and transfer of subscription warrants (“**Warrant Program 2026/2029**”) on the following conditions.

The purpose of the incentive program is to offer the CEO the opportunity to take part in the long-term increase in value that is related to GARO’s joint goals and the strategic initiatives that shall be given priority within the group. The Board of Directors believes that it is of benefit to the Company and the shareholders that the CEO is in this way given a personal ownership commitment in the Company. An incentive program is also expected to contribute to the possibilities to recruit and retain competent, motivated and committed employees and to being a competitive and attractive employer. The structure of the program is estimated to contribute to the fulfilment of the Company’s long-term business plan, strategy and financial targets.

A. Issue of subscription warrants

In order to implement the Warrant Program 2026/2029, the Board proposes that the AGM resolves on a directed issue of subscription warrants with deviation from the shareholders’ preferential right on the following conditions.

1. A maximum of 500,000 subscription warrants shall be issued.
2. The right to subscribe for the subscription warrants shall, with deviation from the shareholders’ preferential right, be granted to the Company, with right and obligation for the Company to transfer the subscription warrants to the CEO in the GARO group, in accordance with the principles below. The Company shall not be entitled to dispose of the subscription warrants in any other way.
3. The subscription warrants shall be issued free of charge to the Company.
4. Subscription for the subscription warrants shall be made on 30 June 2026 at the latest, with a right for the Board to extend the subscription period.
5. Each subscription warrant shall entitle to subscription for one (1) share in the Company.
6. Subscription for shares by virtue of the subscription warrants may take place during the period 15 August 2029 – 31 August 2029. There will be no over-subscription.
7. The subscription price per share shall correspond to 135 per cent of the volume-weighted average share price according to Nasdaq Stockholm’s official price list for shares in the Company during five trading days preceding the time when the CEO acquire subscription warrants from GARO, however, never less than the quota value of the share. If acquisition takes place on more than one occasion, the subscription price is determined on the first occasion of transfer. The calculated subscription price shall be rounded to the nearest SEK 0.01, whereupon SEK 0.005 shall be rounded upwards. All acquisitions must take place before the Annual General Meeting 2027.

8. If all subscription warrants are exercised for subscription of new shares, the share capital will increase by a maximum of SEK 200,000.
9. Shares that have been subscribed for by virtue of the subscription warrants will entitle to dividends as of the first record date for dividends occurring immediately after the shares have been registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*).
10. If the subscription price at subscription for new shares exceeds the quota value of the previous shares, the surplus amount shall be contributed to the unrestricted premium reserve.
11. The subscription warrants may be subject to re-calculation in accordance with customary principles for re-calculation due to, *inter alia*, bonus issue, consolidation or share split, rights issue or similar events.
12. The complete terms and conditions for the subscription warrants are set forth in the "*Terms and conditions for subscription warrants of series 2026/2029*", Appendix 1.

B. Transfer of subscription warrants

In order to implement the Warrant Program 2026/2029, the Board proposes that the AGM resolves to approve that transfer of subscription warrants is made from the Company to the CEO on the following conditions.

1. The subscription warrants shall be transferred by the Company, on one or several occasions, to the CEO of GARO group in accordance with the guidelines stated below.
2. A maximum of 500,000 subscription warrants of series 2026/2029 may be transferred.
3. Transfer of the subscription warrants shall be made for a consideration corresponding to the market value of the subscription warrants at the time of transfer, to be established by an independent valuation institute, by application of the Black Scholes valuation method, based on the market conditions at the time of transfer. The valuation is based on the variables risk-free interest rate, volatility, the term of the subscription warrants, expected share dividends during the term of the subscription warrants, the share price at the time of transfer and the subscription price for shares when exercising the subscription warrants (strike price).
4. Right to acquire subscription warrants shall, with deviation from the shareholders' preferential right, accrue to the CEO. The first allotment is expected to take place during July 2026. There will be no over-subscription.
5. The total number of subscription warrants issued in Warrant Program 2026/2029 exceeds the number of subscription warrants expected to be allotted in the first allotment. The subscription warrants remaining after the first allotment may be allotted at market value, applicable from time to time, in accordance with the allotment principles stated above. The Board of Directors considers it important to, for practical reasons, offer the CEO the possibility not to acquire all subscription warrants at one time. This means that the CEO may be allocated subscription warrants at such a time that the time between the allocation and the subscription period for shares may be less than three years. Transfer of subscription warrants may not occur after the AGM 2027.
6. Right to allotment in Warrant Program 2026/2029 requires that the CEO, at the time for allotment, holds its position or has signed an agreement regarding it and has not, at such time, informed or been informed that the employment will be terminated.

7. When acquiring the subscription warrants, the warrant holder shall enter into a pre-emption agreement with the Company, on customary conditions established by the Board. The agreement shall entitle the Board, under certain circumstances and in whole or in part, to reclaim acquired subscription warrants (or value received from dispositions of subscription warrants), subject to the limitations which may follow from applicable law.

Reason for deviation from the shareholders' preferential right

The reason for the deviation from the shareholders' preferential right is that the Board wishes to create an incentive program which offers the CEO the opportunity to take part in the long-term increase in value of the Company share. The basis for the subscription price is the market value of the share at the time of issue.

Costs, dilution etc.

The costs for the program will mainly consist of limited costs for the implementation and administration of the program. For this reason, no hedging arrangements for the program have been made.

Assuming that all 500,000 subscription warrants in the Warrant Program 2026/2029 are exercised for subscription of new shares, the Company's share capital will increase by a maximum of SEK 200,000, resulting in a maximum dilution effect equivalent to approximately 0.4 per cent calculated as the number of new shares in proportion to the number of existing shares. The above is subject to re-calculations of the subscription warrants in accordance with the customary terms stated in the complete terms and conditions.

Outstanding incentive programs

Under the company's existing incentive programme TO 2025/2028 series 2, which includes subscription warrants to key employees in the group, the participants have acquired a total of 225,000 subscription warrants, whereby each warrant entitles the holder to subscribe for one (1) share, which corresponds to a dilution corresponding to approximately 0.45 per cent and, together with the Warrant Program 2026/2029, approximately 0.85 per cent calculated as the number of new shares in proportion to the number of existing shares. Subscription warrants in series TO 2025/2028 series 2 can be exercised between 30 June 2028 and 15 December 2028. The subscription price corresponds to SEK 28.37 per share. All subscription warrants acquired by the former chief executive officer within TO 2025/2028 series 1 have been repurchased by the company and will not be exercised for subscription of new shares.

The preparation of the proposal

The Board's proposal has been prepared by the Board's Remuneration Committee and the Board. The Remuneration Committee has consulted the Company's three largest shareholders in connection with the preparation of the proposal in order to receive feedback and suggestions on the form of the proposal. These shareholders are positive to the final proposal although it shall be noted that they are not legally obliged to support the proposal at the general meeting.

Authorisation

The Board of Directors proposes that the Chairman of the Board, or a person appointed by the Board, is authorised to make any minor adjustments that might be required in connection with registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

Majority requirement

The resolution of the general meeting above is proposed to be adopted as one joint resolution. A valid resolution requires that shareholders representing at least nine tenths (9/10) of the votes cast and the shares represented at the general meeting support the resolution.

Gnosjö in April 2026
GARO Aktiebolag (publ)
The Board of Directors