

The Board of Directors' of Hexatronic Group AB (publ) (the "Company") proposal that the Annual General Meeting resolves on (A) the adoption of a long-term incentive programme (Warrant Programme 2024) directed to the group's (the "Hexatronic Group") employees outside of Sweden, and (B) a directed issue of warrants (Series 2024/2027) to the wholly owned subsidiary Proximion AB ("Proximion") and approval of the transfer of these warrants to participants. The resolution items (A) and (B) are mutually conditioned by each other and are resolved upon as one resolution.

A. Introduction of Warrant Programme 2024

The Board of Directors of the Company proposes that the Annual General Meeting resolves to adopt a long-term incentive programme directed to the Hexatronic Group's senior executives and certain key employees employed outside of Sweden in accordance with the main terms and conditions set out below.

Background

The Company's Board of Directors is of the opinion that the Warrant Programme 2024 will contribute to higher motivation and commitment among employees and strengthen the bonds between the employees and the Company.

Furthermore, it is the Board's assessment that the Warrant Programme 2024 will contribute to the opportunities to recruit and retain knowledgeable and experienced employees and is expected to increase employee interest in the business and earnings development in the Company. All in all, it is the Board's assessment that the Warrant Programme 2024 will be beneficial for both the employees and for the Company's shareholders through an increased share value.

Warrant Programme 2024

The Board of Directors proposes that the Annual General Meeting resolves on a directed share issue of a maximum of 442,500 warrants (hereinafter referred to as "**Warrants**") and the subsequent transfer of a total of not more than 442,500 Warrants. The right to subscribe for Warrants shall only vest with Proximion, with the right and obligation for Proximion to manage the Warrants in accordance with the terms of the Warrant Programme 2024 and transfer the Warrants to participants free of charge. Each Warrant entitles the holder to subscribe for one ordinary share in the Company. The Warrants shall be issued free of charge to Proximion.

Participants in the Warrant Programme 2024 shall, upon receipt of the offer, but no later than 31 May 2024, notify Proximion of the number of Warrants that the participant wishes to receive. In the event that a participant's employment ends during the term of the Warrants, the Warrants shall be returned without consideration or other remuneration.

Subscription of ordinary shares shall be possible during the period from and including 13 May 2027 up to and including 13 June 2027. The subscription price for ordinary shares subscribed for pursuant to the Warrants shall be set at 135 per cent of the volume-weighted average share price of the Hexatronic share during the measurement period from and including 8 May 2024 up to and including 19 May 2024. The subscription price shall be paid in cash or by set-off. The Company shall have the right, but not the obligation, at the request of participants who are unable to pay subscription proceeds in cash, to acquire at market price such number of Warrants as enable the participant to exercise the remaining Warrants

to subscribe for ordinary shares, whereby the subscription proceeds are paid by offsetting against the receivable on divested Warrants.

The exercise price, as set out above, shall be rounded to the nearest SEK 0.10, whereby SEK 0.05 shall be rounded downwards. The exercise price and the number of shares that each Warrant entitles to subscription for shall be recalculated in the event of a split, consolidation, new share issue etc. in accordance with market practice.

Allocation of Warrants

The Warrant Programme 2024 shall comprise approximately 33 senior executives, and approximately 80 key employees, employed mainly in England, Belgium, Norway, Denmark, Finland, USA, Canada, Germany, Estonia, Latvia, Lithuania, Italy, Australia, South Korea, the Netherlands, New Zealand and Austria and in total relate to a maximum of 442,500 Warrants. The maximum number of Warrants per participant in the Warrant Programme 2024 is shown in the table below.

<i>Category</i>	<i>Maximum number of Warrants per person</i>	<i>Maximum number of Warrants per category</i>
Senior executives	approximately 9 000	approximately 196 500
Remaining key employees	approximately 3 000	approximately 246 000

In the event of changes in positions and employments, remaining Warrants in one category may be used in another category. The Board of Directors may decide that such Warrants that are not allotted in accordance with the above shall later be allocated to any new employees within the Hexatronic Group.

Effects on key performance indicators and costs

The Warrants are issued free of charge to the participants and may incur social security contributions and costs in accordance with the accounting rules in IFRS2. The Board of Directors estimates that these costs will be limited.

Since the Company's costs for the Warrant Programme 2024 will be relatively limited, the Board of Directors has decided not to propose to the Annual General Meeting to decide on measures to cover these.

Ongoing incentive programmes including Warrant Programme 2024 are expected to have only marginal impact on significant key performance indicators.

Dilution

Based on the existing number of ordinary shares in the Company, the Warrant Programme 2024, upon full exercise of all 442,500 Warrants, entails a dilution corresponding to approximately 0.22 per cent of the capital and votes related to ordinary shares. If all outstanding incentive programmes in the Company are included in the calculation, the corresponding maximum dilution, at the time of the Annual General Meeting, amounts to approximately 2,91 per cent of the capital and the number of votes related to ordinary shares.

Additional ongoing share-based incentive programmes

For a description of the Company's ongoing long-term incentive programmes, please refer to the Annual Report for the financial year 2023 which will be available on the Company's website, <https://group.hexatronic.com>.

Preparation of the proposal

The Warrant Programme 2024 has been prepared by the Board of Directors in consultation with company management and external advisors.

The Board of Directors or a special committee set up by the Board of Directors shall be responsible for the detailed design and management of the terms and conditions for the Warrant Programme 2024, in accordance with the above-mentioned terms and conditions including provisions on recalculation in the event of an in-between bonus issue, share split, rights issue and/or other similar events. In connection therewith, the Board of Directors shall have the right to make adjustments to meet specific market conditions. The Board of Directors shall also have the right to make other adjustments if there are significant changes in the Hexatronic Group or its operating environment that would result in the decided terms of the Warrant Programme 2024 no longer fulfilling its purposes.

B. Directed issue of warrants, Series 2024/2027, to the wholly owned subsidiary Proximion, and approval of the transfer of these to participants under the Warrant Programme 2024

The Board of Directors proposes that the Annual General Meeting resolves to issue not more than 442,500 Warrants, as a result of which the Company's share capital may increase by a maximum of SEK 4,425. The following conditions shall apply.

1. The right to subscribe for Warrants shall, with deviation from the shareholders' preferential rights, vest with Proximion, which shall then transfer the Warrants to the appropriate participants in the Warrant Programme 2024. Each Warrant entitles the holder to subscribe for one share. The Warrants shall be issued free of charge to Proximion.
2. Each warrant entitles the holder to subscribe for one new ordinary share in Hexatronic Group AB (publ) during the period from and including 13 May 2027 up to and including 13 June 2027 at a subscription price of 135 per cent of the volume-weighted average share price of the Hexatronic share during the measurement period from and including 8 May 2024 up to and including 19 May 2024. The Board of Directors has the right to extend the subscription period, but no more than six months. The exercise price and the number of shares that each Warrant entitles to subscription of shall be recalculated in the event of a split, reverse share split, new issue of shares, etc. in accordance with market practice. The amount that, in the case of share subscription, exceeds the quota value shall be transferred to the free premium fund.
3. Subscription of Warrants must be made on the subscription list no later than 31 May 2024. However, the Board of Directors shall have the right to extend the subscription period.

4. The Warrants are issued free of charge to Proximion.
5. New shares pursuant to subscription entitle to dividends for the first time on the record date for dividends that occurs immediately after subscription has been effected.
6. The warrants shall in all other respects be governed by the terms and conditions set forth in Appendix A.

The Board of Directors also proposes that the Annual General Meeting resolves to approve that Proximion, in accordance with the incentive programme, may transfer Warrants to participants in the Warrant Programme 2024 and manage Warrants in accordance with the Warrant Programme 2024. Proximion shall have the right to retain such Warrants that are not allotted in accordance with the above for later allotment to additional employees within the Hexatronic Group as decided by the Company's Board of Directors.

It is further proposed that the Board of Directors, or whomever they appoint, should be authorised to undertake such minor adjustments in the resolution that may be required for the registration with the Swedish Companies Registration Office.

Oversubscription cannot be made.

The rationale for the deviation from the shareholders' preferential rights is to implement incentive programmes for employees outside of Sweden in the Hexatronic Group.

Majority requirements and special authorisations

The Board of Directors' proposal for resolutions in accordance with A – B above constitute a package, as the various proposals are dependent on and strongly linked to each other. Therefore, it is proposed that the Annual General Meeting make a single resolution in connection with the abovementioned proposals, in compliance with the majority requirement specified in Chapter 16, Section 8 of the Swedish Companies Act, meaning that the resolution shall be supported by shareholders representing at least nine tenths (9/10) of both the votes cast and the shares represented at the meeting.

The Board of Directors proposes that the Annual General Meeting instructs the Board of Directors to implement the resolutions above and to ensure that the Board of Directors in Proximion transfers the Warrants in accordance with what is stated above.

The Board further proposes that the Annual General Meeting instructs the Board, or whomever the Board appoints, to make such minor adjustments in the abovementioned proposed resolutions that may prove necessary in connection with registration with the Swedish Companies Registration Office.

Gothenburg in April 2024
Hexatronic Group AB (publ)
The Board of Directors

Appendix A

[Terms and conditions for the warrants are attached separately]