

NOTICE OF THE ANNUAL GENERAL MEETING OF EMBELLENC GROUP AB

The shareholders of Embellence Group AB (publ), corp. reg. no. 556006-0625 ("**Embellence Group**" or the "**Company**"), are hereby summoned to the Annual General Meeting on Thursday, 8 May 2025 at 1:00 p.m. at Quality Hotel Grand Borås with the address Hallbergsplatsen 2 in Borås, Sweden. Lunch is served to participants at 12.00.

Exercise of voting rights at the Annual General Meeting

Shareholders who wish to participate must:

- (i) be recorded in the share register maintained by Euroclear Sweden AB as per 29 April 2025; and
- (ii) must have notified the Company of their intention to participate at the Annual General Meeting in accordance with the instructions under the heading "*Registration for attendance in person or by proxy*" in such time that the notification is received by the Company not later than 2 May 2025.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee must, in order to exercise their voting rights, notify their participation at the General Meeting and temporarily request to have their shares be re-registered in their own name in the share register maintained by Euroclear (so-called voting rights registration). Such registration must be completed no later than 2 May 2025 and, accordingly, shareholders must inform the nominee of their request well in advance of this date. Voting right registration requested by the shareholder in such time that the registration was carried out by the nominee no later than 2 May 2025 will be included in the share register.

Notification for attendance in person or by proxy

In order to attend the Annual General Meeting in person or participate through a proxy, shareholders must notify the Company of this no later than 2 May 2025:

- (i) by post to Computershare AB, "Embellence Group AB årsstämma", Gustav III:s Boulevard 34, 169 73 Solna;
- (ii) by using a digital form on the Company website, www.embellencegroup.com (private individuals only);
- (iii) by e-mail to proxy@computershare.se; or
- (iv) by telephone on +46 (0)771-24 64 00.

The notification must include name or company name, personal identity number or corporate registration number, address, telephone number and, when appropriate, number of assistants (maximum of two).

Anyone who does not wish to attend in person may exercise their rights at the General Meeting through a proxy with a written, signed and dated power of

attorney. If the power of attorney is issued by a legal entity, a copy of the certificate of incorporation or equivalent document for the legal entity must be attached.

To facilitate access to the General Meeting, powers of attorney, certificates of incorporation and other authorisation documents should be submitted to the Company well in advance of the General Meeting and preferably no later than 2 May 2025.

Please note that notification of participation at the General Meeting must also be made if the shareholder wishes to exercise their voting right through a proxy. A submitted power of attorney is not valid as notification for the General Meeting.

A power of attorney form is available on the Company's website, www.embellencegroup.com.

Business at the Annual General Meeting

Proposed agenda:

1. Opening of the General Meeting;
2. Election of chairman of the General Meeting;
3. Preparation and approval of the voting register;
4. Election of one or two persons to verify the minutes;
5. Determination of whether the General Meeting was duly convened;
6. Approval of the agenda;
7. The CEO's address;
8. Presentation of the annual report and auditor's report and the consolidated financial statements and auditor's report for the group;
9. Resolutions regarding:
 - (a) adoption of the income statement and balance sheet for the company and group;
 - (b) distribution of the company's profit according to the adopted balance sheet;
 - (c) discharge from liability for Board members and the CEO;
 - (i) Magnus Welander (chairman);
 - (ii) Karin Dennford (Board member);
 - (iii) Maria Veerasamy (Board member);
 - (iv) Henrik Nyqvist (Board member);
 - (v) Christina Ståhl (Board member);
 - (vi) Olof Svensk (CEO);
 - (vii) Karin Lidén (interim CEO);
10. Resolutions on determination of the number of Board members and auditors;
11. Resolutions on determination of fees to be paid to the Board of Directors and auditors;

12. Election of the Board of Directors;
The Nomination Committee's proposal for Board members:
 - (i) Karin Dennford (re-election);
 - (ii) Maria Veerasamy (re-election);
 - (iii) Henrik Nyqvist (re-election);
 - (iv) Christina Ståhl (re-election);
 - (v) Magnus Welander (re-election);
13. Election of the chairman of the Board of Directors;
14. Election of the auditor;
15. Resolution on (A) implementation of a long-term incentive programme, (B) directed issue of warrants of series 2025/2029:1, and (C) approval of transfer of warrants of series 2025/2029:1;
16. Resolution to authorise the Board of Directors to issue shares;
17. Resolution on authorisation to make adjustments,
18. Conclusion of the General Meeting.

Nomination Committee

In accordance with principles adopted earlier, the Nomination Committee consists of three members, appointed by the three largest shareholders in terms of votes as per 30 September 2024. On the basis of these principles, the Nomination Committee consisted of Peter Lindell (appointed by Cidro Förvaltning AB), Johan Martinsson (appointed by JCE Management AB), and Daniel Gabriel (appointed by Ramhill AB).

Nomination Committee's proposals for resolution

2. Election of chairman of the General Meeting

The Nomination Committee proposes that attorney Eric Ehrencrona from MAQS Advokatbyrå or, if he is unavailable, the person appointed by the Nomination Committee, be elected as chairman of the General Meeting.

10. Resolutions on determination of the number of Board members and auditors

The Nomination Committee proposes that the Board of Directors shall consist of five Board members elected by the Annual General Meeting with no deputy members, and that the number of auditors shall be one with no deputies.

11. Resolutions on determination of fees to be paid to the Board of Directors and auditors

The Nomination Committee proposes that the fees per Board member elected by the Annual General Meeting be distributed as follows (preceding year's figures in brackets): chairman of the Board of Directors SEK 500,000 (500,000) and other Board members who are not employees of the Company or the group SEK 250,000 (250,000) each.

The fee for work in the Audit Committee is proposed to be SEK 100,000 (100,000) to the chairperson and SEK 40,000 (40,000) to other member.

The fee for work in the Remuneration Committee is proposed to be SEK 40,000 (40,000) to the chairperson and SEK 20,000 (20,000) to other member.

If the General Meeting resolves in favour of the Nomination Committee's proposal on the fees to the Board of Directors and if the number of members of the Audit Committee and Remuneration Committee respectively is two the total fee will be SEK 1,700,000 (1,700,000).

It is proposed that the fee to the auditor shall be paid in accordance with invoices approved by the Company.

12. Election of the Board of Directors

The Nomination Committee proposes the following Board of Directors for the period until the end of the next Annual General Meeting: re-election of the Board members Karin Dennford, Henrik Nyqvist, Christina Ståhl, Maria Veerasamy, and Magnus Welander.

Further information on the Board members proposed for re-election is available on the Company's website, www.embellencegroup.com.

The proposal on the composition of the Board of Directors of the Company is in compliance with the rules of the Swedish Corporate Governance Code regarding independence. All members are independent in relation to the Company and the executive management, and in relation to the Company's major shareholders.

13. Election of the chairman of the Board of Directors

The Nomination Committee proposes that Magnus Welander is re-elected as chairman of the Board of Directors for the period until the end of the next Annual General Meeting.

14. Election of the auditor

The Nominating Committee proposes that the audit company Ernst & Young AB ("EY") is re-elected as auditor for the period up until the end of the next Annual General Meeting in accordance with the Audit Committee's recommendation. EY has informed that in the event the audit company is elected, Michaela Nilsson will continue as the auditor in charge.

The Board of Directors' proposals for resolution

9.(b) Resolution regarding distribution of the Company's profit according to the adopted balance sheet

The Board of Directors proposes that the General Meeting resolves on an ordinary dividend of SEK 1.25 per share. The record date for payment of the dividend shall be 12 May 2025. If the General Meeting resolves in accordance with the proposals, the dividend will be paid to the shareholders on 15 May 2025.

15. Resolution on (A) implementation of a long-term incentive programme, (B) directed issue of warrants of series 2025/2029:1, and (C) approval of transfer of warrants of series 2025/2029:1

The Board of Directors proposes that the Annual General Meeting resolves on (A) implementation of a long-term incentive programme (the "**Programme**"), (B) a directed issue of warrants of series 2025/2029:1, and (C) approval of transfer of warrants of series 2025/2029:1, in accordance with the below.

Background

The overall purpose of the Programme is to maintain a close alignment of interests between Embellence Group's senior management and shareholders and to promote continued long-term commitment to Embellence Group. The Programme is intended to attract and retain members of the management team by providing a market-competitive total remuneration, which the Board of Directors considers to be a crucial factor for Embellence Group's continued success. In light of the above, the Board of Directors believes that it is in the interest of Embellence Group and its shareholders that the Company's senior executives and members of the senior management of the Company's group are offered participation in a long-term incentive programme.

The Programme shall be directed at senior executives of the Company and members of the senior management of the Company's group and implemented after the Annual General Meeting. The intention is for the Programme to be achievable, easy to understand, cost-effective to administer, and simple to communicate. Furthermore, the Board of Directors intends to annually propose similar programmes to include new or additional employees within Embellence Group's group.

A. Resolution on the implementation of a long-term incentive programme

The Board of Directors proposes that the Annual General Meeting resolves to implement the Programme in accordance with the following main terms.

- The Programme shall, as set out below, be directed at Embellence Group's CEO and CFO as well as senior executives/members of senior management of the Company's group (collectively referred to as the "**Participants**").

Participant category	Maximum number of Savings Shares (defined below) per person	Maximum total number of Savings Shares per participant category	Maximum number of Matching Shares per Person	Maximum total number of Matching Shares per participant category	Maximum number of Performance Shares (defined below) per person	Maximum total number of Performance Shares per participant category
CEO (one (1) person)	10,000	10,000	10,000	10,000	50,000	50,000
CFO (one (1) person)	8,000	8,000	8,000	8,000	40,000	40,000
Senior executives / members of the senior management of the group (up to eight (8) persons)	7,944	37,180	7,944	37,180	23,832	111,540
Total	-	55,180	-	55,180	-	201,540

- To participate in the Programme, Participants must have their own shareholding in the Company, directly or indirectly through a wholly owned company, and allocate these shares to the Programme no later than 30 September 2025 ("**Savings Shares**"). Savings Shares can either be acquired for the Programme or held previously. The Board of Directors shall have the right to postpone the last day for allocation of Savings Shares if Participants have been prevented from acquiring shares in accordance with the Market Abuse Regulation (EU) 596/2014, but no later than 31 December 2025.
- Each Participant may allocate Savings Shares to a value corresponding to a maximum of 15 percent of the annual total fixed gross base salary in 2025 for the CEO and CFO respectively, and a maximum of 10 percent of the annual fixed gross base salary in 2025 for senior executives or members of the senior management of the group.
- For each Savings Share, Participants have the opportunity to be allocated one (1) matching share free of charge ("**Matching Share**"). Matching Shares shall be allocated provided that the total return on the Company's shares during the financial years 2025 –

2028 exceeds 20 percent (the "**Total Return**"). The Total Return shall be determined by comparing the volume-weighted average price of the Company's share during a period of 20 trading days after Embellence Group's announcement of the year-end report for the financial year 2028 compared to the volume-weighted average price of the Company's share during a period of 20 trading days after the announcement of Embellence Group's year-end report for the financial year 2024.

- For each Savings Share, Participants shall also have the opportunity to be allocated performance shares free of charge ("**Performance Shares**") in accordance with the following, provided that certain performance targets are met.

Participant category	Maximum number of Performance Shares per Savings Share and per person
CEO (one (1) person)	5
CFO (one (1) person)	5
Senior executives / members of the senior management of the group (up to eight (8) persons)	3

- The performance targets that must be met for Performance Shares to be allocated shall be based 90 percent on Embellence Group's revenue and profitability (the "**Financial Targets**") and 10 percent on Embellence Group's sustainability ambition (the "**Sustainability Target**") (Financial Targets and Sustainability Target collectively referred to as "**Performance Targets**"). The Performance Targets shall be determined by the Board of Directors. The Performance Targets shall have minimum and maximum levels for achieving the targets, and for maximum allocation of Performance Shares, the maximum levels must be met.
- The allocation of Matching Shares and Performance Shares shall take place after the end of the vesting period, which runs from and including 1 October 2025 up to and including 31 December 2028 ("**Vesting Period**"). The Vesting Period shall be at least three (3) years.
- For each allocated Matching Share and Performance Share, Participants have the right to acquire one (1) warrant of series 2025/2029:1 in the Company free of charge, with the right for its holder to subscribe for one (1) new share in the Company at a subscription price corresponding to the share's quota value at the time the shares are subscribed for. The number of shares that each warrant of series 2025/2029:1 entitles to subscribe for may be subject to adjustment due to bonus issues, splits, rights issues, and similar

measures, whereby the adjustment terms in the complete warrant terms for the warrants of series 2025/2029:1 shall apply.

- The value of each Matching Share or Performance Share to be allocated to Participants shall not exceed 250 percent of the volume-weighted average price of the Company's share during a period of five (5) trading days immediately following Embellence Group's announcement of the year-end report for the financial year 2024 (the "**Cap**"). The value of the Matching Shares and Performance Shares shall be considered to correspond to the volume-weighted price of the Company's share during a period of five (5) trading days immediately following Embellence Group's announcement of the year-end report for the financial year 2028. Should the value of each Matching Share or Performance Share exceed the Cap, a proportional reduction of the total number of Matching Shares and Performance Shares to be allocated to each Participant shall be made to ensure that the Cap is not exceeded.
- For Participants to be allocated Matching Shares and Performance Shares, they must normally have been permanently employed within Embellence Group's group throughout the Vesting Period and retained the Savings Shares until the end of the Vesting Period. Savings Shares that are disposed of before the end of the Vesting Period shall not be included in the calculation to determine the allocation of Matching Shares and/or Performance Shares.
- If significant changes occur in Embellence Group's group or in the market that, in the Board of Directors' assessment, would result in the conditions for the allocation of Matching Shares and/or Performance Shares under the Programme no longer being reasonable, the Board of Directors shall have the right to make adjustments to the Programme, including the right to decide on reduced allocation of Matching Shares and/or Performance Shares, or that no allocation of Matching Shares and/or Performance Shares shall take place at all.
- The Board of Directors shall have the right to decide on the detailed terms of the Programme. In this regard, the Board of Directors shall have the right to make necessary adjustments to these terms to comply with specific rules or market conditions outside Sweden.
- Participation in the Programme requires that such participation can legally take place in the relevant jurisdictions. If Participants outside Sweden, in the Board of Directors' assessment, cannot be allocated Matching Shares and/or Performance Shares at a reasonable cost or with reasonable administrative efforts, the Board of Directors shall have the right to decide on cash settlement for such Participants.

B. Resolution on the directed issue of warrants of series 2025/2029:1

To enable the Company's delivery of warrants of series 2025/2029:1 under the Programme, the Board of Directors proposes that the Annual General Meeting resolves on the issue of a maximum of 256,720 warrants of series 2025/2029:1, resulting in an increase in share capital upon full exercise of a maximum of SEK 641,800.00. For the resolution, the following terms shall apply.

- The right to subscribe shall, with deviation from the shareholders' preferential rights, be granted to the Company. The reasons for the deviation from the shareholders' preferential rights are to enable the delivery of warrants under the Programme.
- The warrants shall be issued free of charge.
- Each warrant shall entitle the holder to subscribe for one (1) new share in the Company during the period from the date of registration of the issue resolution with the Swedish Companies Registration Office up to and including 31 December 2029.
- The subscription price per share shall correspond to the share's quota value at the time the shares are subscribed for.
- Subscription of the warrants shall take place within four weeks from the date of the General Meeting. The Board of Directors has the right to extend the subscription period. Over-subscription is not permitted.
- The shares that arise from subscription with the support of the warrants shall entitle to dividends for the first time on the record date for dividends that occurs closest after the new shares have been registered with the Swedish Companies Registration Office and the shares have been entered in the share register kept by Euroclear Sweden AB.
- Other terms for the warrants are set out in the complete warrant terms. The terms include customary adjustment principles.
- The Board of Directors, or the person appointed by the Board of Directors, is authorised to make minor adjustments to the issue resolution that may be necessary in connection with registration.

C. Resolution on the approval of the transfer of warrants of series 2025/2029:1

To enable the Company's delivery of warrants of series 2025/2029:1 under the Programme, the Board of Directors proposes that the Annual General Meeting resolves to approve that the Company may transfer a maximum of 256,720 warrants of series 2025/2029:1 free of charge to Participants in connection with the exercise of earned Matching Shares and/or Performance Shares in

accordance with the Programme and the terms set out in A. above to fulfil the Company's obligations under the Programme.

The Board of Directors shall not have the right to dispose of the warrants for any purpose other than what is stated above.

Warrants that are not needed to enable the delivery of shares under the Programme may be cancelled.

Other information

Dilution

Upon full subscription with the support of all warrants of series 2025/2029:1, the number of shares and votes in the Company will increase by 256,720 (subject to adjustment according to the terms for warrants of series 2025/2029:1), which corresponds to a dilution of approximately 1.08 percent of the number of shares and votes in the Company. The dilution effect has been calculated as the number of additional shares and votes in relation to the number of existing plus additional shares and votes.

Estimated costs for the Programme

The Board of Directors' assessment is that the Programme will incur costs mainly related to administration, accounting-related salary costs, and social security contributions.

The costs for the Programme, which are recognised in the income statement, are calculated according to the accounting standard IFRS 2 and are spread over the Vesting Period. The calculation has been performed based on the closing price of Embellence Group's shares on 19 March 2025, i.e., SEK 36 per share, and with the following assumptions: (i) 100 percent of the maximum number of Savings Shares are allocated in the Programme and (ii) 100 percent of the maximum number of Matching Shares and Performance Shares are allocated to Participants, (iii) an annual direct yield of approximately 6.6 percent.

In addition to the above, the costs for the Programme are based on the Programme covering ten (10) Participants and each Participant making a maximum investment. The total estimated costs for the Programme according to the accounting standard IFRS 2 amount to approximately SEK 11 million excluding social security contributions. The costs for social security contributions are estimated to amount to approximately SEK 4 million, based on the above assumptions, and assuming an annual share price increase of 6.6 percent during the Programme's term and a tax rate for social security contributions of 31.42 percent.

The estimated average annual costs of SEK 3 million, including social security contributions, correspond to approximately 1.7 percent of Embellence Group group's total personnel costs for the financial year 2024.

All calculations above are preliminary and are intended only to provide an illustration of the costs that the Programme may incur. Actual costs may therefore differ from what is stated above.

Previous Incentive Programmes in Embellence Group

The Annual General Meeting on 3 May 2022 resolved, in accordance with the Board of Directors' proposal, to adopt a long-term incentive programme for certain senior executives and consultants, a total of eight persons (LTIP 2022). The incentive programme included a maximum of 176,000 warrants. A total of 45,500 warrants were subscribed and allocated to the participants. As of the date of the notice, there are two participants remaining within the framework of LTIP 2022, with a total holding of 27,000 warrants. The subscription price per warrant corresponded to the market value of the warrants. Each warrant entitles to subscription of one (1) share in the Company during the period from and including 1 June 2025 up to and including 30 June 2025 at a subscription price of SEK 39.85 per share. Upon exercise of all 27,000 outstanding warrants in LTIP 2022, a dilution effect of approximately 0.11 percent of the total number of shares and votes in the Company arises, subject to possible adjustment according to the warrant terms. The dilution effect has been calculated as the number of additional shares and votes in relation to the number of existing plus additional shares and votes.

The Annual General Meeting on 8 May 2024 resolved, in accordance with the shareholders' proposal, to adopt a long-term incentive programme for the chairman of the Board of Directors through an issue of a maximum of 400,000 warrants. A total of 400,000 warrants were subscribed and allocated. The subscription price per warrant corresponded to the market value of the warrants. Each warrant entitles to subscription of one (1) share in the Company during the period from and including 1 July 2028 up to and including 31 August 2028 at a subscription price of SEK 39.38 per share. Upon exercise of all warrants in the programme, a dilution effect of approximately 1.67 percent of the total number of shares and votes in the Company arises, subject to possible adjustment according to the warrant terms. The dilution effect has been calculated as the number of additional shares and votes in relation to the number of existing plus additional shares and votes.

Preparation of the proposal

The proposal has, according to guidelines issued by the Board of Directors, been prepared by the Board of Directors' Remuneration Committee, with the assistance of external advisors. The Remuneration Committee has presented the work to the Board of Directors, after which the Board of Directors has decided to propose that the General Meeting resolves in accordance with the proposal. No employee who may be covered by the Programme has participated in the design of the terms.

Majority Requirements, etc.

The Board of Directors' proposal for a resolution on (A) the implementation of a long-term incentive programme, (B) a directed issue of warrants of series 2025/2029:1, and (C) approval of the transfer of warrants of series 2025/2029:1 constitutes a combined proposal and shall be resolved as one resolution. A valid resolution requires support from shareholders representing at least nine-tenths (9/10) of both the shares voted and the shares represented at the General Meeting.

16. Resolution to authorise the Board of Directors to issue shares

The Board of Directors proposes that the General Meeting resolves to authorise the Board of Directors – on one or more occasions and for the period until the next Annual General Meeting – to increase the Company's share capital by issuing new shares to such extent equal to a dilution of not more than 10 percent of the shares outstanding at the time of the notice of the Annual General Meeting, after full exercise of the hereby proposed authorisation.

New issues of shares may be carried out with deviation from the shareholders' preferential rights and with or without provisions for contribution in kind, set-off or other conditions. The purpose of the authorisation is to increase the financial flexibility of the Company and the general flexibility of the Board of Directors in connection with acquisitions. Should the Board of Directors resolve on a share issue with deviation from the shareholders' preferential rights, the reason for this shall be to carry out and finance acquisitions of companies or assets. Upon such deviation from the shareholders' preferential rights, the new issue shall be made on market terms and conditions.

17. Resolution on authorisation to make adjustments

The Board of Directors, the CEO or whoever the Board of Directors appoints, are to be authorised to make minor adjustments to resolutions adopted at the General Meeting that may prove necessary for the registration of the resolutions.

Number of shares and votes

As per the date of the Annual General Meeting notification, the total number of shares and votes in the Company was 23,538,721.

Majority requirements

A valid resolution in accordance with item 16 above requires approval of at least two thirds (2/3) of both the shares voted and the shares represented at the General Meeting. A valid resolution in accordance with item 15 above requires approval of at least nine tenths (9/10) of both the shares voted and the shares represented at the General Meeting.

Disclosures

The Board of Directors and CEO shall, if so requested by a shareholder, and the Board of Directors is of the opinion that this can be done without material damage to the Company, make disclosures on circumstances that might have an effect on assessment of an item on the agenda and circumstances that might affect assessment of the financial situation of the Company. The disclosure obligation also pertains to the Company's relationship with other group companies and the consolidated financial statements, as well as such circumstances regarding group companies as referred to above.

Other

The Annual Report and the auditor's report for the financial year 2024 will be made available at the Company's office on Ryssnäsgratan 8, SE-504 64 Borås, Sweden and on the Company's website, www.embellencegroup.com, at least three weeks before the Annual General Meeting, together with the Board of Directors' complete proposals. Further, the Nomination Committee's proposal and motivated statement will be available at the address and website stated above at least four weeks before the Annual General Meeting. Copies of the documents will be sent to the shareholders who so request it and inform the Company of their postal address.

Processing of personal data

Personal data retrieved from the share register maintained by Euroclear Sweden AB, notifications, and participation at the meeting, as well as information about representatives, proxies, and assistants, will be used for registration, preparation of the voting list for the meeting, and, where applicable, the meeting minutes. The personal data is handled in accordance with the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council). For complete information on how personal data is processed, please see the privacy policy available on Euroclear's website, www.euroclear.com/Integritetspolicy-bolagsstammor-svenska.pdf.

Borås, April 2025

Embellence Group AB (publ)

Board of Directors