

Press release 5 April 2023 at 18:00 CEST

## Notice to the Annual General Meeting 2023 in Eltel AB

The shareholders of Eltel AB (publ) (reg. no. 556728-6652) ("Eltel") are hereby given notice of the Annual General Meeting to be held on 11 May 2023 at 14:00 (CEST) in Inderes Event's premises at Västra Trädgårdsgatan 19 in Stockholm.

### Notifications, etc.

Shareholders who wish to participate in the Annual General Meeting shall:

- partly be registered in the share register kept by Euroclear Sweden AB on 3 May 2023; and
- partly give notice of their intention to participate in the Annual General Meeting in accordance with the instructions under the heading *Participation at the Annual General Meeting venue* below, or alternatively submit a postal vote in accordance with the instructions under the heading *Participation through postal voting* below no later than on 5 May 2023.

### Participation at the Annual General Meeting venue

Shareholders who wish to participate at the Annual General Meeting venue, in person or via proxy, must notify the company of this no later than on 5 May 2023. The notification on participation in the Annual General Meeting shall be submitted by mail to: Eltel AB, "Annual General Meeting", c/o Euroclear Sweden, Box 191, 101 23 Stockholm, or by e-mail to:

[GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). The notification must include the shareholder's name, personal identity number or corporate registration number, telephone number and shareholding to be represented at the Annual General Meeting.

Shareholders who participate via proxy must at the Annual General Meeting present a dated power of attorney signed by the shareholder and other authorisation documents and are asked to submit copies of such documents to the company in connection with the notification in accordance with the above. Power of attorney forms are available at the company's website, [www.eltelgroup.com](http://www.eltelgroup.com), and may also be ordered by contacting the company.

### Participation through postal voting

The Board of Directors of Eltel has decided that the shareholders shall be able to exercise their voting rights through postal voting, in accordance with the regulations in Eltel's articles of association. A special form must be used for the postal voting. The form for postal voting is available on Eltel's website [www.eltelgroup.com](http://www.eltelgroup.com).

Shareholders who wish to participate through postal voting shall send a completed and signed form for postal voting by mail to: Eltel AB, "Annual General Meeting", c/o Euroclear Sweden, Box 191, 101 23 Stockholm, or by e-mail to: [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). Completed forms must be received by Eltel no later than on 5 May 2023. Shareholders who are natural persons can also submit their postal vote electronically, through verification with BankID via Euroclear's website: <https://anmalan.vpc.se/EuroclearProxy>.

The shareholder may not provide special instructions or conditions to the postal vote. If so, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form and at <https://anmalan.vpc.se/EuroclearProxy>.

If the shareholder submits its postal vote through a proxy, a dated power of attorney signed by the shareholder, and other authorisation documents, should be attached to the postal voting form in connection with notification according to the above. Power of attorney forms are available on the company's website, [www.eltelgroup.com](http://www.eltelgroup.com), and may also be ordered by contacting the company.

Shareholders who wish to participate at the Annual General Meeting venue, either in person or through a proxy, must notify the company of this in accordance with the instructions under the heading *Participation at the Annual General Meeting venue* above. This means that notification through postal voting alone is not sufficient for shareholders who wish to participate at the Annual General Meeting venue.

### **Shares registered in the name of a custodian**

Shareholders whose shares are registered in the name of a custodian (in custody account) through a bank or through another authorised depository must request to be temporarily registered for voting rights in the share register kept by Euroclear Sweden AB (so-called voting rights registration) in order to have the right to participate in the Annual General Meeting, regardless of whether participation takes place at the Annual General Meeting venue or through postal voting. Only voting rights registered no later than on 5 May 2023 will be taken into account. The shareholder must therefore contact the custodian well in advance of this day in accordance with the custodian's routines and request registration of voting rights.

### **Agenda**

1. Opening of the meeting
2. Election of Chairman of the meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Determination of whether the meeting has been duly convened
7. Presentation by the CEO
8. Presentation of the annual report and the auditor's report as well as the consolidated financial statement and the group auditor's report
9. Resolution regarding adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet
10. Resolution regarding appropriation of the company's result according to the adopted balance sheet
11. Resolution regarding discharge from liability for the members of the Board of Directors and the CEO
12. Resolution regarding the number of members of the Board of Directors and auditors
13. Resolution regarding remuneration to the members of the Board of Directors and auditors
14. Election of members of the Board of Directors and Chairman of the Board of Directors
15. Election of auditor
16. Resolution regarding approval of the remuneration report
17. Resolution regarding share-based long-term incentive program 2023 including amendment of the articles of association etc.
18. Resolution regarding authorisation for the Board of Directors to resolve on issuance of new shares
19. Resolution regarding authorisation for the Board of Directors to resolve on repurchase and transfer of the company's own shares
20. Closing of the meeting

### **Nomination Committee**

The Nomination Committee consists of Erik Malmberg (Chairman) (appointed by Solero Luxco S.á r.l., a company controlled by Triton Funds), Peter Immonen (appointed by Wipunen Varainhallinta Oy), Thomas Ehlin (appointed by the Fourth Swedish National Pension Fund), and Ingeborg Åkermarck (appointed by Heikintorppa Oy).

## **Proposed resolutions etc.**

### *Item 2: Election of Chairman of the meeting*

The Nomination Committee proposes that Ulf Mattsson, Chairman of the Board of Directors, is elected as Chairman of the meeting, or in the event of his absence, the person appointed by a representative of the Nomination Committee.

### *Item 10: Resolution regarding appropriation of the company's result according to the adopted balance sheet*

The Board of Directors' proposal regarding appropriation of the company's result is presented in the annual report for the financial year 2022, which is available as set out below. The Board of Directors does not propose any dividend.

### *Item 12: Resolution regarding the number of members of the Board of Directors and auditors*

The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, the Board of Directors shall consist of six ordinary members with no deputy board members and that one registered auditing company shall be elected as auditor of the company with no deputy auditor.

### *Item 13: Resolution regarding remuneration to the members of the Board of Directors and auditors*

The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, (i) the remuneration for the members of the Board of Directors shall be a total of EUR 358,600 (EUR 358,600) to be allocated with EUR 110,500 (EUR 110,500) to the Chairman of the Board of Directors, EUR 36,500 (EUR 36,500) to each of the other members of the Board of Directors, EUR 16,400 (EUR 16,400) to the Chairman of the Audit Committee and EUR 8,200 (EUR 8,200) to each of the other members of committees established by the Board of Directors, and (ii) the remuneration to the auditors shall be paid in accordance with approved accounts within the given quotation.

### *Item 14: Election of members of the Board of Directors and Chairman of the Board of Directors*

The Nomination Committee proposes that, for the period until the end of the next Annual General Meeting, Ulf Mattsson, Ann Emilson, Gunilla Fransson, Joakim Olsson, Erja Sankari and Roland Sundén shall be re-elected as members of the Board of Directors, and that Ulf Mattsson shall be re-elected as Chairman of the Board of Directors.

### *Item 15: Election of auditor*

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, that KPMG AB shall be re-elected as auditor for the company for the period until the end of the next Annual General Meeting.

### *Item 16: Resolution regarding approval of the remuneration report*

The Board of Directors does not propose any amendments to the guidelines for remuneration of senior executives of the company (the "Guidelines"), which were adopted by the Annual General Meeting on 4 May 2020.

The Board of Directors' remuneration report in respect of the financial year 2022 provides an outline of how the Guidelines have been implemented in 2022. The remuneration report also provides information

on the remuneration for Eltel's CEO and a summary of Eltel's outstanding share-based long-term incentive programmes. The report has been prepared in accordance with Chapter 8 Sections 53a and 53b of the Swedish Companies Act and the remuneration rules issued by the Swedish Corporate Governance Board. During the financial year 2022, Eltel has deviated from the Guidelines in one respect. The deviation consists of that a term of notice of six months is applied in the event of notice of termination from Eltel's managing director's side, instead of twelve months as stated in the Guidelines. There have been no deviations from the procedure for the implementation of the Guidelines and no additional deviations from the application of the Guidelines in 2022. The remuneration report is available on Eltel's website [www.eltelgroup.com](http://www.eltelgroup.com).

The Board of Directors proposes that the Annual General Meeting approves the remuneration report.

*Item 17: Resolution regarding share-based long-term incentive program 2023 including amendment of the articles of association etc.*

The Board of Directors proposes that the General Meeting pass a resolution on the implementation of a share-based long-term incentive program 2023 (LTIP 2023). Below is a description of the main contents of the proposal. The Board of Director's complete proposal is available on Eltel's website [www.eltelgroup.com](http://www.eltelgroup.com).

#### A. Terms of the LTIP 2023

The Board of Directors want to implement a long-term incentive program for senior executives and other key individuals in order to encourage a personal long-term ownership in the company, and in order to increase and strengthen the potential for recruiting, retaining and motivating such senior executives and key individuals. Therefore, the Board of Directors proposes that the General Meeting approves the implementation of LTIP 2023 for senior executives and key individuals within the company.

Participants will, after a qualifying period and assuming an investment of their own in Eltel Shares, be given the opportunity to, without consideration, receive allotment of Eltel Shares (defined below) and exercise options issued by the company. The number of allotted Eltel Shares and options will depend on the number of Eltel Shares that they have purchased themselves and on the fulfilment of certain performance requirements. Eltel Shares are ordinary shares in the company ("Eltel Shares"). The term of LTIP 2023 is more than three years.

LTIP 2023 will be directed towards a maximum of thirteen (13) senior executives and other key individuals in the company. The participants are based in Sweden and other countries where the Eltel Group is active. Participation in the LTIP 2023 assumes that the participant acquires and locks a certain minimum and maximum, respectively, number of Eltel Shares into LTIP 2023 ("Savings Shares"). Savings Shares shall be newly acquired Eltel Shares.

For each acquired Savings Share, the participant shall be entitled to, after a certain vesting period (defined below), provided continued employment and dependent on the fulfilment of certain performance requirements during the financial years 2023-2025, receive allotment of Eltel Shares ("Performance Shares") and exercise options issued by the company ("Performance Options").

The performance requirements are linked to certain financial key figures. The participant shall not pay any consideration for the allotted Performance Shares and Performance Options.

The participant shall have the right to exercise the Performance Options commencing on the day after the end of the vesting period and during two weeks thereafter ("Exercise Period"). The exercise price when the participant exercises the Performance Option shall correspond to 120% of the volume-weighted average price according to Nasdaq Stockholm's official price list for the Eltel Share during the first ten trading days that directly follows the Annual General Meeting 2023 (the "Purchase Price"). Customary recalculation of the Purchase Price as well as of the number of Eltel Shares that each Performance Option corresponds to may occur in certain situations. The exercise of the Performance Options may be made by using so called net strike.

Allotment of Performance Shares and Performance Options within LTIP 2023 will be made during a limited period of time following the latter of the date of (i) the presentation of the first quarterly report for the first quarter of 2026, and (ii) the first record date for dividends decided by the Annual General Meeting 2026. The period up to this date is referred to as the qualification period (vesting period).

In order for the participant to be entitled to receive allotment of Performance Shares and Performance Options, it is assumed that the participant remains an employee of the Eltel Group during the full qualification period up until allotment, that the participant, during this period, has kept all Savings Shares, and that the performance requirements are fulfilled.

The participant can receive allotment of a maximum of eight (8) Performance Shares and eight (8) Performance Options per Savings Share. The Participant's Performance Shares and Performance Options, respectively, shall be capped to an amount. The outcome shall be capped for Performance Shares and Performance Options, respectively, in the event the volume-weighted average price according to Nasdaq Stockholm's official price list for the Eltel Share during the last ten trading days in March 2026 exceeds a share price corresponding to three times the volume-weighted average price according to Nasdaq Stockholm's official price list for the Eltel Share during the first ten trading days that directly follows after the Annual General Meeting 2023.

The Board of Directors shall, in accordance with the resolutions by the General Meeting set forth herein, be responsible for the detailed design and implementation of LTIP 2023. The Board of Directors may also decide on the implementation of an alternative cash based incentive for participants in countries where the acquisition of Savings Shares or allotment of Performance Shares and/or Performance Options is not possible, as well as if otherwise considered appropriate. Such alternative incentive shall to the extent practically possible be designed to correspond to the terms of LTIP 2023. The intention is that the Board of Directors shall launch LTIP 2023 in May 2023.

In the event that the general meeting does not resolve in accordance with item C with the required majority, the Company shall hedge itself against the financial exposure that LTIP 2023 is expected to entail, by the company entering into a share swap agreement with a third party in accordance with what is stated in item D below.

#### B. Amendments of the Articles of Association and authorizations regarding class C shares for LTIP 2022

The General Meeting's adoption of recurring long-term incentive programmes for the company's senior executives and other key individuals consisting of LTIP 2021, LTIP 2022 and the proposed LTIP 2023 entails that the company needs to increase the limit for the maximum number of class C shares specified in the Articles of Association. The Board of Directors therefore proposes that the third section of § 5 of the Articles of Association be changed as follows:

#### *Current wording*

Shares may be issued in two series, ordinary shares and class C shares. Ordinary shares may be issued in a maximum number corresponding to not more than 100% of the total number of shares in the company and class C shares may be issued in a maximum number corresponding to not more than 1.0% of the total number of shares in the company.

#### *New wording*

Shares may be issued in two series, ordinary shares and class C shares. Ordinary shares may be issued in a maximum number corresponding to not more than 100% of the total number of shares in the company and class C shares may be issued in a maximum number corresponding to not more than 3.0% of the total number of shares in the company.

The Annual General Meeting 2022 resolved on the implementation of LTIP 2022, including that the company's undertakings under LTIP 2022 should be hedged through an authorization for the Board of Directors to issue convertible and redeemable class C shares to an external third party and an authorization to repurchase those class C shares from such third party as well as an approval to transfer shares under LTIP 2022 to participants etcetera.

It is proposed that the Board of Directors shall be authorized to resolve on a directed issue and repurchase, respectively, of a maximum of 1,305,000 class C shares on certain terms and conditions.

#### C. Hedge for LTIP 2023 in the form of newly issued class C shares

The Board of Directors proposes that the implementation of LTIP 2023 shall be made in a cost-effective and flexible manner, and that the undertakings of the company for delivery of Performance Shares as well as Eitel Shares at exercise of the Performance Options and the company's cash-flow for the payment of social fees primarily shall be hedged by a directed issue of convertible and redeemable class C shares.

Therefore, it is proposed that the Board of Directors shall be authorized to resolve on a directed issue and repurchase, respectively, of a maximum of 1,388,100 class C shares on certain terms and conditions. The remaining class C shares up to 2,000,000 are covered by the 611,900 class C shares issued in connection with LTIP 2018 which are still held by the company Furthermore, the Board of Directors proposes approval of transfer of a maximum of 1,600,000 Eitel Shares as well as the 611,900 class C shares that were issued in connection with LTIP 2018 to participants in LTIP 2023 to participants in LTIP 2023 on certain conditions.

#### D. Equity swap agreement with a third party

In the event that the necessary majority is not obtained for item C above, the company will hedge itself against the financial exposure that LTIP 2023 is expected to entail, by the company entering into a share swap agreement with a third party, whereby the third party in its own name shall acquire and transfer Eitel Shares in the company regarding LTIP 2023. The relevant number of Eitel Shares shall correspond to the number of shares proposed under item C above.

#### Majority requirements etc.

A valid resolution under item B above requires that shareholders representing not less than two-thirds of the votes cast as well as the shares represented at the general meeting approve the resolution.

A valid resolution under item C above requires that shareholders representing not less than nine-tenths (90%) of the votes cast as well as the shares represented at the general meeting approve the resolution.

*Item 18: Resolution regarding authorisation for the Board of Directors to resolve on issuance of new shares*

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, against cash payment, for payment in kind or by way of set-off, to resolve on share issues corresponding to an aggregate dilution of not more than 10% of the registered share capital.

The purpose of the authorisation, and the reason for the deviation from the shareholders' preferential rights, is to enable the company to, in a time efficient way, secure financing of its strategy and/or to use its own shares to make payments in connection with acquisitions of companies or businesses which the company may undertake, or to settle any additional purchase price related to such acquisitions, or to raise capital for such acquisitions or additional purchase prices. The value transferred to the company through share issues by virtue of the authorisation, shall be made on market terms and may include a market based issue discount.

For a valid resolution, the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

*Item 19: Resolution regarding authorisation for the Board of Directors to resolve on repurchase and transfer of the company's own shares*

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, to resolve to repurchase in aggregate as many shares as may be purchased without the company's holding at any time exceeding 10% of the total number of shares in the company. The shares shall be acquired on Nasdaq Stockholm, where shares in the company are listed, and only at a price within the price range registered at any given time, i.e. the range between the highest bid price and the lowest offer price.

It is also proposed that the Board of Directors shall be authorised to resolve on transfer of the company's own shares, on one or several occasions prior to the next Annual General Meeting, with or without deviation from the shareholders' preferential rights, against cash payment, for payment in kind or by way of set-off. The basis for determination of the consideration in connection with transfer of own shares shall be in accordance with current market conditions at the time of the transfer.

The purpose of the authorisations, and the reason for the deviation from the shareholders' preferential rights, is to enable the company in a time efficient way to use its own shares to make payments in connection with acquisitions of companies or businesses which the company may undertake, or to settle any additional purchase price related to such acquisitions, or to raise capital for such acquisitions or additional purchase prices. The purpose of the authorisation to repurchase and to transfer shares is also to enable a continuous adjustment of the company's capital structure, thus contributing to increased shareholder value.

For a valid resolution, the resolution must be supported by shareholders representing at least two-thirds of both the votes cast and the shares represented at the Annual General Meeting.

**Complete proposals, etc.**

The annual report for the financial year 2022, the remuneration report for the financial year 2022, the Nomination Committee's complete proposals and statement as well as the Board of Directors' complete proposals in accordance with the above, including reports and statements related thereto under the Swedish Companies Act, are available at the company and on the company's website [www.eltelgroup.com](http://www.eltelgroup.com) no later than from 20 April 2023 and will also be sent to those shareholders who so request and provide their address.

### **Shareholders' right to receive information**

The shareholders have, in accordance with Chapter 7 Section 32 of the Swedish Companies Act, right to request information from the Board of Directors and the CEO at the Annual General Meeting in respect of any circumstances which may affect the assessment of a matter on the agenda and any circumstances which may affect the assessment of the company's financial position, provided that the Board of Directors believes that such may take place without significant harm to the company.

### **Processing of personal data**

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

### **Number of shares and votes**

As of the date of this notice, the total number of shares in Eltel amounts to 158,231,081, whereof 156,736,781 are ordinary shares carrying one vote each and 1,494,300 are class C-shares carrying 1/10 vote each. Thus, the total number of votes in Eltel amounts to 156,886,211 as of the date of this notice. All 1,494,300 class C-shares are held by Eltel and Eltel will not exercise any voting rights regarding these shares at the general meeting.

### **Further information**

For questions about the Annual General Meeting or to have the postal voting form sent by mail, please contact Euroclear Sweden AB by telephone +46 8 402 91 33.

Bromma, April 2023

### **Eltel AB (publ)**

The Board of Directors

### **For further information:**

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### **About Eltel**

Eltel is a leading service provider for critical infrastructure that enables renewable energy and high-performing communication networks. Eltel designs, plans, builds and secures the operation of networks for a more sustainable and connected world today and for future generations. In total, we have about 5,000 employees and in 2022 the annual sales was EUR 823.6 million. The head office is located in Sweden and Eltel's shares have been listed on Nasdaq Stockholm since 2015. Read more at [www.eltelnetworks.com](http://www.eltelnetworks.com).