

Press release
19 April 2023, 17:30

NOTICE OF ANNUAL GENERAL MEETING 2023 OF SDIPTeCH AB (PUBL)

The shareholders of Sdiptech AB (publ), reg. no. 556672-4893 (the "Company") are hereby convened to the Annual General Meeting on 22 May 2023, at IVA (Royal Swedish Academy of Engineering Sciences), Grev Turegatan 16, 114 46 i Stockholm.

The Board has decided, with the support of § 12 of the Company's Articles of Association, that those shareholders who are unable or unwilling to physically participate in the meeting shall be able to submit their votes in advance by so-called postal voting. More information about it below.

General requirements for participation

Shareholders who wish to participate in the meeting, regardless of whether this is done physically or by postal vote, must be entered in the share register kept by Euroclear Sweden AB as of the record date, 11 May 2023.

Shareholders with nominee-registered shares must temporarily have the shares re-registered in their own name as of the record date and contact should be made with the bank / nominee well in advance. The nominee has the opportunity to make such voting rights retroactive, however, no later than 15 May 2023 in order for it to be taken into account when presenting the share register.

Requirements for participation through physical presence in the meeting room

Shareholders who wish to participate in the Annual General Meeting in the meeting room, in person or by proxy, must also register with the Company no later than 15 May 2023.

Registration for the meeting must be made either via a digital form available via the company's website www.sdiptech.se, or by e-mail to sdiptech@postrosta.se or by regular mail to Sdiptech AB, Att: Annual General Meeting, Nybrogatan 39, 114 39 Stockholm.

When registering, shareholders must state their name, telephone number during the day and personal or organization number. Shareholders or their representatives have the right to include a maximum of two assistants. The number of assistants must be pre-registered in the same way as the shareholder.

Shareholders represented by proxy must issue a dated and signed power of attorney which should be sent to the Company before the meeting in the manner specified above together with registration certificates for owners who are legal persons, which show that those who signed the power of attorney are competent. The power of attorney may not be older than one year unless it states that it is valid for a longer period, but no longer than five years. Proxy forms are available on the company's website <https://www.sdiptech.se>

Requirements for participation by postal voting in advance

The shareholder who only refers to postal voting must send in their votes no later than 15 May 2023, through a digital form that is available on the company's website <https://www.sdiptech.se>. No separate registration is required for those who only wish to vote by mail, since a submitted postal voting form is considered a registration.

Shareholders who vote by postal voting, represented by proxy, must issue a dated and signed power of attorney which is attached to the digital postal voting form together with proof of registration for owners who are legal persons, which shows that those who signed the power of attorney are authorized. The power of attorney may not be older than one year unless it states that it is valid for a longer period, but no longer than five years. Proxy forms are available on the company's website <https://www.sdiptech.se>

Proposed agenda

1. Opening of the meeting
2. Election of chairman of the meeting
3. Preparation and approval of the voting list
4. Election of one or two persons to approve the minutes of the meeting
5. Determination as to whether the meeting has been duly convened
6. Approval of the agenda
7. Presentation of the annual accounts and the auditors' report and the consolidated accounts and the auditors' report on the consolidated accounts
8. Presentation by the CEO, and shareholders' questions to the Board of Directors and management of the Company
9. Resolution on:
 - a. adoption of the income statement and the balance sheet and the groups' income statement and balance sheet;
 - b. allocation of the result of the Company in accordance with the adopted balance sheet;
 - c. discharge of liability for the members of the Board of Directors and the CEO
10. Resolution on the number of members of the Board of Directors
11. Determination of fees for the members of the Board of Directors and the auditor
12. Election of members of the Board of Directors
13. Election of Chairman of the Board of Directors
14. Election of Auditor until the end of the next annual general meeting
15. Resolution on the Nomination Committee for the annual general meeting of 2024
16. Resolution regarding guidelines for remuneration to the senior management
17. Resolution on authorization for the Board to issue shares, convertibles and warrants
18. Resolution on warrant program for the company's employees
19. Closing of the meeting

Proposals for resolutions

Proposals from the Nomination Committee under item 2 and 10 - 15

- 2) Jan Samuelson is proposed to be appointed as chairman of the meeting.
- 10) The Board of Directors is proposed to consist of five members with no deputy members.
- 11) Total fees of SEK 1,990,000 (last year 1,920,000) are proposed to be paid to the Board of Directors, of which SEK 830,000 (800,000) is to be paid to the Chairman of the Board and SEK 290,000 (280,000) is to be paid to each member of the Board of Directors. For the Company's Audit Committee, a fee of SEK 160,000 (160,000) is proposed to be paid to the chairman and a fee of SEK 55,000 (55,000) to be paid to each member (one to two members). For the Company's Investment Committee, a fee of SEK 50,000 (50,000) is proposed to be paid to the chairman and a fee of SEK 50,000 (50,000) to be paid to each member (one to two members). For the Company's Remuneration Committee a fee of SEK 40,000 (40,000) is proposed to be paid to the chairman and a fee of SEK 20,000 (20,000) to be paid to each member (one member). Auditors' fees are proposed to be payable in accordance with approved invoice.
- 12) Proposed re-election of Johnny Alvarsson, Jan Samuelson, Birgitta Henriksson, Urban Doverholt and Eola Änggård Runsten as members of the Board of Directors until the end of the next annual general meeting. Detailed description of the Board's members for re-election and election can be found on the company's website.

The Nomination Committee's motivation

The Nomination Committee has, as a basis for its proposal, interviewed all members and taken note of the results of the external board evaluation. In addition, the Nomination Committee has analyzed the extent to which the current Board of Directors meets the requirements imposed on it, inter alia with regard to relevant experience and competence with regard to the company's operations and future development.

The Nomination Committee has made the assessment that the current members, who stand for re-election, represent a broad experience from both business and corporate management competence, as well as experience in acquisition-related and financial issues. With the proposed number of members, five, the board is staffed for an effective dialogue.

- 13) Proposed re-election of Jan Samuelson as Chairman of the Board of Directors until the end of the next annual general meeting.
- 14) Proposed election of PwC Sweden as auditor of the Company until the end of the next annual general meeting, 2024. Should the proposal be adopted, PwC intends to appoint Anna Rosendal as auditor in charge.
- 15) The Nomination Committee proposes that the meeting resolves on the following principles for appointing the Nomination Committee for the next annual general meeting:

General information about the nomination committee

The nomination committee's term extends until a new nomination committee is appointed. The nomination committee's task shall be to submit proposals to the next annual general meeting regarding the number of board members, remuneration (including remuneration for committee work) to the chairman of the board and other members and to the auditor respectively, the composition of the board, chairman of the board, chairman of the annual general meeting, election of auditors and decisions on instructions for the nomination committee's work.

The nomination committee must take into account that the board must have an appropriate composition with regard to the company's operations, stage of development and conditions in general, characterized by versatility and breadth regarding the competence, experience and background of the members elected by the general meeting. An even gender distribution must be pursued.

The members of the nomination committee are subject to a duty of confidentiality regarding Sdipotech AB's affairs. At the Company's request, this obligation must be confirmed by the members by signing a confidentiality agreement.

No remuneration shall be paid to the members of the nomination committee. The company must be responsible for reasonable costs for the nomination committee to be able to carry out its tasks.

The composition of the selection committee

The nomination committee shall have three members. The nomination committee is appointed by the Company's chairman of the board contacting the three largest shareholders/owner groups in terms of votes ("Largest Owners") in the Company as of 30 September of the year before the annual general meeting is held, according to the owner information in the share register prepared by Euroclear Sweden AB (or that in another way are proved to be one of the Largest Owners). These three owners have the right to appoint one member each. If one of these waives this right, the next shareholder/owner group in order of voting size must be given the opportunity to appoint a member to the nomination committee. However, more than the ten largest shareholders do not need to be asked. The chairman of the board must be an adjunct member of the nomination committee and be the convener of the nomination committee's meetings.

The CEO, or another person from the company's management, does not have the right to be a member of the nomination committee. The chairman of the nomination committee shall, unless the members agree otherwise, be the member appointed by the largest shareholder.

The composition of the nomination committee must be announced no later than six months before the annual general meeting.

Changes in the composition of the election committee

If a new shareholder earlier than three months before the annual general meeting passes, in voting rights, one of the shareholders who have appointed a member to the nomination committee, this shareholder can contact the chairman of the nomination committee and request to appoint a member to the nomination committee. If that happens, the member appointed by the shareholder with the smallest number of votes must leave the nomination committee at the same time.

If a shareholder who appointed a member to the nomination committee earlier than three months before the annual general meeting to the number of votes is no longer qualified to appoint such a member, this member must make his place available. The chairman of the nomination committee must then contact the shareholder with the largest number of votes who has not previously been offered a seat. If he does not want to appoint a member, the matter must be passed on to the next shareholder whose turn it is, as long as there is one within the scope of the ten largest shareholders in terms of votes.

Shareholders who have appointed a member to the nomination committee have the right to dismiss such member and appoint a new member at any time.

Changes in the composition of the nomination committee must be announced as soon as they have taken place.

Other resolutions

Item 4 – Election of one or two persons to attest the minutes

The board of directors proposes that Caroline Sjösten is elected to attest the minutes from the general meeting. The attester's assignment also includes checking the voting list and that received postal votes are correctly reproduced in the minutes of the meeting.

Item 9 b) – Resolution on allocation of the result of the Company in accordance with the adopted balance sheet

The Board of Directors proposes that the meeting resolves upon a dividend to shareholders of preference shares in accordance with the articles of association. Of the funds available to the Meeting, SEK 2,301,605,133, eight SEK per preference share, i.e. a total of SEK 14,000,000 shall be paid quarterly to the preference shareholders with one quarter of the total amount (i.e. two SEK per preference share) per occasion. The proposal is based on all outstanding preference shares as of the date of this notice (i.e. a total of 1,750,000 preference shares).

Suggested record dates for the dividend are:

1. June 15, 2023, with estimated payment date on June 20, 2023;
2. September 15, 2023, with estimated payment date on September 20, 2023;
3. December 15, 2023, with estimated payment date on December 20, 2023; and
4. March 15, 2024, with estimated payment date on March 20, 2024.

According to the Company's Articles of Association, as of the fourth anniversary of the initial issue (i.e., as of March 4, 2019) and for the period thereafter, the Company's preference shares may be redeemed in an amount corresponding to (i) SEK 105 plus (ii) any accrued portion of Preference Dividend together with (iii) any outstanding amount calculated with an amount corresponding to an annual interest. However, the redemption amount for each redeemed preference share shall never be less than the share's quota value.

"Accrued portion of the Preference Dividend" refers to the accrued Preference Dividend for the period beginning with the day after the last record date for dividends on preference shares up to and including the day of payment of the redemption amount. The number of days must be calculated based on the actual number of days in relation to 90 days.

The Board of Directors proposes that no dividend be paid on ordinary shares of series A or ordinary shares of series B without balancing the remaining profit of SEK 2,287,605,133 in a new account, of which SEK 2,068,910,662 will be transferred to the premium fund and SEK 218,694,471 to retained earnings.

Item 16 – Resolution regarding guidelines for remuneration to the senior management

The executive management of Sdiptech AB (publ) ("Sdiptech" or the "Company") 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 2023. These guidelines do not apply to any remuneration decided or approved by the General Meeting. Share-related incentive plans are decided, where appropriate, by the General Meeting.

Sdiptech is a technology group focused on infrastructure. Sdiptech's business concept is to provide niched solutions to the infrastructure sector. A prerequisite for the successful implementation of Sdiptech's business strategy and safeguarding of its long-term interests, including its sustainability, is that Sdiptech is able to recruit and retain qualified senior executives. To this end, it is necessary that the Company offers competitive remuneration. These guidelines enable the Company to offer the senior executives a competitive total remuneration.

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

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. The variable cash remuneration may amount to not more than 50 per cent of the total fixed cash salary under the measurement period for such criteria. In years when no long-term incentive program expires, however, the variable cash remuneration can amount to 100 per cent of the total fixed cash salary.

For senior executives, pension benefits, including health insurance (Sw: sjukförsäkring), shall be based on a premium defined pension plan unless the individual concerned is subject to defined benefit pension under mandatory law or collective agreement provisions. Variable cash remuneration shall not qualify for pension benefits unless required by mandatory law or collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

Other benefits may include, for example, company cars, occupational health services and medical insurance (Sw: sjukvårdsförsäkring). Such benefits may amount to not more than 10 per cent of the fixed annual cash salary.

The Board of Directors proposes that the Annual General Meeting resolves on guidelines for remuneration to senior executives in accordance with the above, as well as supplementary information in Appendix §16, which is posted on the Company's website.

Item 17 – Resolution on authorization for the Board to issue shares, convertibles and warrants

The board of directors proposes that the annual general meeting resolves to authorize the board of directors to, until the next annual general meeting, with or without deviation from the shareholders' preferential rights, on one or several occasions resolve to issue ordinary shares, convertible instruments and/or warrants. Payment may be made in cash and/or with in kind or by way of set-off, or other conditions.

The total increase of the number of ordinary shares, which includes issuance, conversion or subscription for new shares, may – where it entails a deviation from the shareholders' preferential rights – correspond to a dilution of a maximum of 10 percent of the current number outstanding ordinary shares, adjusted for any splits or similar. The authorization shall primarily be used for the purpose of acquisitions or financing thereof.

A valid resolution requires that shareholders holding not less than two-thirds of both the votes cast and the shares represented at the general meeting vote in favor of the proposal.

Item 18 - Resolution on warrant program for the company's employees

In order for the Group to be able to retain and recruit competent and committed staff, the Board proposes that the Annual General Meeting, deviating from the shareholders' preferential rights, decide on the issue of Warrants and the introduction of a long-term incentive program for Group employees. Incentive programs for managers and senior executives in the group in the form of warrants for series B shares was introduced in 2018, divided into three series: series 2018/2021, series 2018/2022 and series 2018/2023. In 2021, a corresponding incentive program on warrants of series 2021/2024 was introduced. At the AGM in 2022, it was decided on another program, series 2022/2025, but this was not launched.

The remaining 2021/2024 series currently has 337,625 options outstanding.

The Board of Directors proposes that the Annual General Meeting resolves to introduce an incentive program for the company's employees through the issue of a total of a maximum of 350,000 warrants of series 2023/2026, in accordance with Appendices §18, 18a and §18b, which are posted on the Company's website. In short, the proposal means that:

The Company shall issue no more than 350 000 Warrants of series 2023/2026. Each Warrant entitles the holder to subscribe for one new common share of series B ("B-shares") in the Company during the following periods: (i) a period of 10 banking days from and including 8 June 2026, (ii) a period of 10 banking days from and including the banking day following the publication of the Company's interim report for the second quarter of 2026, and (iii) a period of 10 banking days from and including the banking day following the publication of the Company's interim report for the third quarter of 2026, however not later than 30 November 2026 (each a "Subscription Period").

Upon full subscription, by virtue of all of the Warrants, a maximum of 350,000 new common shares of series B may be issued, corresponding to a dilution of approximately 0.9 per cent of the total amount of common shares of series A and series B and approximately 0.6 per cent of the total amount of votes in the Company that the common shares of series A and series B represent (based on the number of such outstanding shares as of the date of the notice).

The subscription price for new B-shares subscribed for through Warrants shall be equal to an amount corresponding to 126 per cent of the volume-weighted average of the quoted price paid for the B-share on Nasdaq Stockholm (or another corresponding trading facility or regulated market on which the Company's shares are traded) from and including 23 May 2023 up to and including 5 June 2023 (the "Calculation period").

The increase of the Company's share capital will, upon exercise of the Warrants, amount to not more than SEK 8,750, subject to such increase that may occur due to recalculation of the subscription price and the number of shares which each Warrant entitles to subscription for in the event of issues etcetera. If the subscription price exceeds the quota value, the excess amount shall be allotted to the non-restricted statutory reserve.

Employees of the Company and its subsidiaries (the Company and its subsidiaries are referred to collectively as the "Group") shall be entitled to acquire Warrants from the Subsidiary. Application to acquire Warrants shall be made not later than on 16 June 2023. The board of directors of the Company shall however be entitled to prolong the application period. Future new employees may also be entitled to acquire Warrants, whereby the application to acquire Warrants may take place at a later occasion. For any such acquisitions, the acquisition shall be made at the prevailing market value and that the board of directors shall apply a corresponding application period for employees whose acquisition is made following the initial application period. The board of directors is authorised to extend each Subscription Period and the time for payment in the event that any participant is restricted from subscribing to new shares pursuant to insider or market abuse regulations.

If not all Warrants are acquired, the remaining number of Warrants may be allotted to participants independently of category. No participant may, however, acquire additional Warrants that correspond to more than 50 per cent of the number of Warrants which each respective participant is entitled to acquire.

Transfer of Warrants to the participants shall be made at a price corresponding to the market value, which shall be calculated in accordance with the Black & Scholes formula by an independent valuation

institution. At an estimated future volatility level of 30 per cent during the term of the Warrants and assuming that the average value of the Company's share during the valuation period amounts to SEK 250, whereby the subscription price for the Warrants will amount to SEK 315 for each Warrant, the preliminary calculated market value per warrant will amount to SEK 38 for each Warrant.

The general meeting's resolution under this item is valid only if supported by shareholders holding no less than nine tenths (9/10) of both the votes cast and the shares represented at the general meeting.

Other

Complete proposals for resolutions, accounting documents, auditor's report and other documents prior to the Annual General Meeting are available at the Company's office at Nybrogatan 39, 114 39 Stockholm and on the Company's website <https://www.sdiptech.se> no later than 28 April 2023. The documents are sent free of charge to the shareholders who specifically request it and state their postal address.

The Annual General Meeting share register will be kept available at the Company's offices.

The total number of shares in the Company as of the date of the notice amounts to 39,741,938 shares, divided into 1,750,000 preference shares with one vote each, 2,000,000 A shares with ten votes each and 35,991,938 Class B shares with one vote each. The total number of votes in the company is 57,741,938. As of the date of this notice, the company does not hold any own shares.

The Board of Directors and the President shall, if any shareholder so requests and the Board considers that this can be done without significant damage to the Company, provide information at the Annual General Meeting on matters that may affect the assessment of a matter on the agenda and circumstances that may affect the Company's assessment. or subsidiary's financial situation and the Company's relationship with another group company.

The information will be available on the company's website and office no later than five days before the meeting. The information is also sent to the shareholder who requested it and provided his address.

A general description of how your personal data is handled prior to the Annual General Meeting can be found on Euroclear's website <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Stockholm April 2023

Sdiptech AB (publ)

Board of Directors

For additional information, please contact:

Bengt Lejdström, CFO, +46 702 74 22 00, bengt.lejdstrom@sdiptech.com

Sdiptech's common shares of series B are traded on Nasdaq Stockholm under the short name SDIP B with ISIN code SE0003756758. Sdiptech's preferred shares are traded under the short name SDIP PREF with ISIN code SE0006758348. Further information is available on the company's website: www.sdiptech.se

Sdiptech is a technology group that acquires and develops market-leading niche operations that contribute to creating more sustainable, efficient and safe societies. Sdiptech has approximately SEK 3,500 million in sales and is based in Stockholm.

The information was provided by the above contact persons for publication 19 April 2023, at 17:30 CEST.