

**The Board's proposal for allocation of profits, aggregation of shares, changes of Articles of Association (regarding number of shares, registered office of the Board of Directors and the location of the Annual General Meeting), issue authorization and guidelines for remuneration to senior executives prior to the Annual General Meeting of Bergs Timber AB (publ) on 5 May 2022.**

**Item 9 Resolution regarding allocation of the company's profit according to the adopted balance sheet:**

The Board of Directors proposes that the available funds according to the balance sheet, SEK 466,629,615, of which share premium reserve SEK 420,388,590, be appropriated as follows: A dividend of SEK 0.30 per share, in total SEK 104,018,485 be paid to the shareholders, and SEK 362,611,130 to be carried forward. The record date to be entitled to receive a dividend is proposed as Monday 9 May 2022. If the AGM adopts this motion, it is estimated that payment of dividends, via Euroclear Sweden AB, will occur on Thursday 12 May 2022.

**Item 14 Aggregation of shares:**

The Board of Directors proposes that the AGM resolves to aggregate the company's shares (so-called reverse split) 1:10. This means that ten existing shares are aggregated into one new share, in order to achieve a number of shares appropriate for the company. For those shareholders who on the record date for the aggregation do not hold a number of ordinary shares corresponding to a whole number of new ordinary shares (after the aggregation has been completed), excess ordinary shares will be transferred to the company's ownership on the record date for the aggregation. Excess ordinary shares will then be sold by the company or a securities institution appointed by the company, whereby eligible shareholders will receive their share of the sale proceeds. The decision on the aggregation shall be registered with the Swedish Companies Registration Office and it is proposed that the Board be authorized to determine the record date for the aggregation, which, however, may not occur before the time when the decision on the aggregation is registered. Information about the record date and the detailed procedure for the aggregation will be published by the company.

The resolution is conditional on the AGM resolving to amend the Articles of Association in accordance with item 15.

**Item 15 Resolution on changes of Articles of Association regarding number of shares:**

In order to enable the aggregation proposed in item 14 and to achieve an appropriate number of shares, the Board of Directors proposes that the AGM resolves that section 5 of the Articles of Association be amended to read as follows. "The number of shares shall be a minimum of 34,000,000 and a

maximum of 136,000,000. The resolution is conditional on the AGM resolving on the aggregation in accordance with item 14.

**Item 16 Resolution on changes of Articles of Association regarding the registered office of the Board of Directors and the location of the Annual General Meeting:**

The Board of Directors proposes that the AGM resolves on section 2 of the Articles of Association, "Registered office of the Board", be amended to read as follows. "The board shall have its registered office in Stockholm Municipality."

The Board also proposes that the AGM resolves to amend section 13 of the Articles of Association, "Location for the Annual General Meeting", to read as follows. "The AGM shall be held in Stockholm Municipality, Hultsfred Municipality, Vimmerby Municipality or Växjö Municipality".

**Item 17 Resolutions on authorising the Board of Directors to take decisions on issuance of shares:**

The Board of Directors proposes that the AGM authorises the Board, at the latest until the company's next AGM, to take decisions on new issues of class B shares in the company. Such issues would entail a deviation from the pre-emptive right of the shareholders to subscribe for new shares. The issue may lead to a total increase in the number of shares by a maximum of 10 percent based on the total number of shares at the time the authorization is exercised. Payment can be made in kind, cash or through offset. This authorisation, within the framework indicated above, can be utilized on one or more occasions. The reason for the deviation from the pre-emptive right of the shareholders is that the company is to be provided the opportunity, in the event of any corporate acquisitions, to pay the full or partial amount of the purchase price with the company's shares (issue in kind). In deviating from the pre-emptive right of the shareholders, the basis for the issue price will be market conditions. The Board of Directors further proposes that the AGM authorise the Board, or the person appointed by the Board, to implement the minor adjustments in the decision above that may prove to be required in connection with registration with the Swedish Companies Registration Office.

**Item 20 Resolution concerning guidelines for remuneration to senior executives:**

The Board of Directors proposes that the AGM resolves that the same guidelines for remuneration to senior executives as resolved by the 2021 AGM shall apply from the 2022 Annual General Meeting:

"Remuneration of senior executives will comprise fixed salary, variable remuneration, additional benefits and provisions for pension. "Senior executives" means the Chief Executive Officer and the other members of Group Management. The total remuneration is to correspond to market practice, be competitive and stand in relation to responsibilities and authority. Variable remuneration must be limited to corresponding to a certain share of the fixed salary and based on the fulfilment of established goals.



Upon termination of an employment contract, either by the company or the employee, the period of notice is not to exceed six months. Upon termination by the company, severance pay of at most twelve months can be provided. Income from other employment or operations must be deducted from the severance pay.

Pension benefits must be defined contribution and entitle senior executives to a pension starting at the age of 65. Variable remuneration does not accrue pension rights.

The Board of Directors has the right to depart from these guidelines if there is particular reason to do so in an individual case.

These guidelines do not replace compulsory conditions under labour legislation or collective agreements.”

### **Special majority requirements**

Decision in accordance with the proposal of the Board of Directors under Item 15, 16 and 17 require that the meeting's resolutions be supported by shareholders with at least two thirds of both the votes cast at the meeting and of the shares represented at the meeting.

Vimmerby, March 2022

**Bergs Timber AB (publ)**  
**Board of Directors**