

**BICO GROUP AB: PROPOSAL BY THE BOARD OF DIRECTORS REGARDING LONG-TERM INCENTIVE PLAN 2026–2029
AND SHARE DELIVERY ARRANGEMENTS IN RESPECT THEREOF**

(A) IMPLEMENTATION OF A LONG-TERM INCENTIVE PLAN 2026-2029

INTRODUCTION

- (1) The Board of Directors of BICO proposes that the Annual General Meeting 2026 resolves on the adoption of a share-based long-term incentive plan 2026–2029 (“**LTIP 2026-2029**”), giving the members of the Company’s Executive Management and key employees (jointly the “**Participants**” and each a “**Participant**”) of the Company and its subsidiaries (jointly the “**Group**”) the opportunity to earn shares in the Company based on performance, in accordance with the provisions under Section 1 below. The long-term incentive plan is a Performance Share Plan.
- (2) In order to secure the obligations of the Company to deliver shares to Participants under LTIP 2026-2029 , the Board of Directors proposes that the Annual General Meeting 2026 resolves on a new series of redeemable and convertible shares (Series C shares), related amendments to the Articles of Association, in accordance with the provisions under item (b) below. To ensure the Company’s obligations under LTIP 2026-2029 and to cover related costs, the Board of Directors further proposes that the Annual General Meeting resolve on (c) an authorisation to issue Series C shares, (d) an authorisation to repurchase Series C shares as well as (e) an authorisation to transfer Series B shares to the participants of LTIP 2026-2029, following a conversion of Series C shares into Series B shares.
- (3) If a sufficient majority for share delivery under LTIP 2026-2029 is not obtained, the Board of Directors proposes that the Company can enter into a share swap arrangement with a third party for the purpose of delivering Performance Shares (as defined in Section 2.1.2 below) to the Participants, in accordance with the provisions under item (f) below.
- (4) The proposal regarding LTIP 2026-2029 is set out in Section 1 below, and the proposals regarding the share delivery arrangements are set out in items (b) – (f) below.
- (5) The aim of LTIP 2026-2029 is to align the objectives of the Company’s shareholders and the members of the Company’s Executive Management and key employees for increasing the value of the Company in the long term, to retain the Participants for the Company and to offer them a competitive incentive scheme that is based on earning and accumulating shares in the Company.
- (6) For a description of the Company’s existing share-related incentive plans, see pages 94-95 in the Company’s annual report for the financial year 2025.

PROPOSAL REGARDING THE LTIP 2026-2029

1.1 Structure

- (1) LTIP 2026-2029 will be directed towards the CEO, the members of Executive Management and key employees of the Company, 25 employees in total. LTIP 2026-2029 will comprise a maximum of 710,000 Series C shares in the Company.
- (2) In LTIP 2026-2029, the Participants may earn shares in the Company based on performance (“**Performance Shares**”). Each Participant will at the commencement of the Performance Period (as defined in Section 1.1.3 below), free of charge, receive a conditional right to Performance Shares (“**Performance Share Right**”). “**Grant Date**” refers to the relevant date on which the Performance Share Rights are allocated to a Participant.
- (3) After the expiration of a three-year performance period (subject to certain exemptions), which starts on the Grant Date (“**Performance Period**”), the Participant will be entitled to allocation of Performance Shares free of charge.
- (4) The allocation of Performance Shares is dependent on the fulfilment of the performance criteria, which are tied to the Total Shareholder Return (“**TSR**”) of the Company’s share (weight 75 %) and Adjusted EBITDA Margin (weight 25 %) (jointly, “**Performance Criteria**”). If the performance levels, as defined in Section 1.4 below (“**Performance Levels**”) set out for the Performance Criteria are not reached, no Performance Shares will be allocated.

1.2 Allocation

- (1) The allocation of the Performance Shares Rights will be made in accordance with the principles set out in the table below.

Allocation category (Current number of Participants per Group)	Performance Share Right (Maximum number of Performance Share Rights per Participant)
CEO (1 person)	75,000
Executive Management (5 people)	50,000
Key Employees (19 people)	37,500
Total (25 persons)	710,000

- (2) The Grant Date is expected to take place shortly after the Annual General Meeting 2026. Within the limits of the maximum number of Performance Share Rights in the table above, the Board of Directors may allocate Performance Share Rights to key employees who join the Company after the initial Grant Date. The Performance Share Rights shall not be allocated later than 31 December 2026. Such Participants will be allotted Performance Shares no earlier than three (3) years after the Participant entered into an agreement to join LTIP 2026-2029.

- (3) The number of Performance Shares allocated to the Participants after expiration of the Performance Period may amount to between 0% and 100% of the Performance Share Right, depending on the fulfilment of the Performance Levels, as defined in Section 1.4 below.
- (4) Additionally, the allocation of Performance Shares is conditional upon the Participant retaining employment within the Group over the entire Performance Period, unless so-called good leaver rules apply. The allocation of Performance Shares to good leavers will be proportionately adjusted for time served during the Performance Period.

1.3 Performance Criteria

- (1) The allocation of Performance Shares is subject to the achievement of Performance Levels of the Performance Criteria.
- (2) The Performance Levels mean the thresholds set for the Performance Criteria, based on which the number of allocated Performance Shares is determined (“**Performance Levels**”).
- (3) Information about the outcome of the Performance Criteria will be provided in the annual report for the financial year 2029.

1.4 TSR

- (1) TSR is measured as the increase in the volume-weighted average price paid (VWAP) for the Company’s share on Nasdaq Stockholm (or such other trading venue where the Company’s shares are admitted to trading) during the measurement period as defined below, added by distributed dividends, funds or assets to the shareholders from reserves of unrestricted equity or in connection with reductions of the share capital, the statutory reserve fund or the share premium fund during the period measurement period . The start value for TSR should be the VWAP 20 trading days following the 2026 Annual General Meeting, and the end value should be the VWAP 20 trading days following the 2029 Annual General Meeting. The period in between is the measurement period.
- (2) The Performance Levels for TSR are set out below:

	TSR 2026–2029 (weight 75 %)	
Performance Level	Minimum	Maximum
TSR	≤50%	≥200%
Performance Share allocation (%)	25%	100%

- (3) The Minimum Level must be achieved for any allocation to occur. The outcome is measured linearly between the Performance Levels.

1.5 Adjusted EBITDA Margin

- (1) Adjusted EBITDA margin is measured as the Company's operating profit before depreciation and amortization, further adjusted for items affecting comparability as defined by the Board of Directors (Adjusted EBITDA), in relation to the Company's net sales. The Performance Level is measured separately for the financial years 2026, 2027 and 2028. The final outcome is determined as the average Adjusted EBITDA margin achieved during the financial years 2026, 2027 and 2028.

	Adjusted EBITDA Margin (weight 25 %)	
Performance Level	Minimum	Maximum
Adjusted EBITDA Margin	7.0%	≥12.5%
Performance Share allocation %	25%	100%

- (2) The Minimum Level must be achieved for any allocation to occur. The outcome is measured linearly between the Performance Levels.

1.6 Share Holding Requirement

All Participants are obliged to hold 50 per cent of the allocated Performance Shares for a period of twelve (12) months following the allocation of the Performance Shares.

1.7 Other conditions

- (1) The number of Performance Shares will be subject to recalculation in the event of any intervening bonus issue, split, reverse split, rights issue, and/or other similar corporate actions. The same will apply for a distribution of a dividend or distribution of other assets, if the Board of Directors considers it necessary. The Performance Levels will be also subject to adjustments in such cases, if the Board of Directors considers it necessary.
- (2) In the event of a public take-over, a buy-out procedure of minority shareholders, a merger, a full demerger, a partial demerger, a divestment, a transfer of business, de-listing of the Company's shares, dissolution of the Company or any other corporate rearrangement ("**Corporate Events**"), which affect LTIP 2026-2029 and the Participants, the Board of Directors will be entitled to resolve on the consequences of the Corporate Event to LTIP 2026-2029. The consequences may be e.g. accelerated termination of LTIP 2026-2029 and accelerated allocation of Performance Shares for all Participants or for some Participants, or amendments to LTIP 2026-2029, relating e.g. to the Performance Criteria and/or allocations of Performance Shares.

- (3) The Board of Directors will be entitled to reduce the number of Performance Shares that are subject to allocation or, wholly or partially, terminate LTIP 2026-2029 in advance if significant changes in the Group or in the market occur which, in the opinion of the Board of Directors, would result in a situation where the conditions for allocation of Performance Shares become unreasonable. In the event that allocation of Performance Shares has been made based on misstated information, or if actions have been taken by a Participant which could result in material damage to the Group's reputation, the Board of Directors may decide to reclaim whole or a part of the allocated Performance Shares for such Participant.
- (4) Participation in LTIP 2026-2029 presupposes that such participation is legally possible in the various jurisdictions concerned and that the administrative costs and financial efforts are reasonable in the opinion of the Board of Directors. The Board of Directors will be entitled to make such local adjustments of LTIP 2026-2029 that may be necessary or appropriate to implement it with reasonable administrative costs and financial efforts in the concerned jurisdictions, including, among other things, to offer cash settlement.
- (5) The Board of Directors will be entitled to make adjustments to the terms of LTIP 2026-2029, if it so deems appropriate, should changes occur in the Company or its operating environment that would entail that the terms and conditions of LTIP 2026-2029 are no longer appropriate or in line with the original purpose. Any such adjustments will only be made in order to fulfil the main objectives of LTIP 2026-2029.
- (6) The Board of Directors will be responsible for the further design, implementation and administration of LTIP 2026-2029 within the framework of the above stated main terms and conditions.

1.8 Estimated costs, effects on key ratios and plan size

- (1) The costs for LTIP 2026-2029, which will impact the income statement, are calculated according to the accounting standard IFRS2 and distributed over the Performance Period. Based on a share price of SEK 17.54 at the grant of the Performance Share Right, the total effect of LTIP 2026-2029 on the income statement is estimated to be SEK 10.4 million, distributed over the years 2026–2029.
- (2) The estimated annual costs of SEK 3.5 million correspond to approximately 0.6 % of the Group's total employee costs for the financial year 2025. Thus, the costs for LTIP 2026-2029 are expected to have a marginal effect on the Group's key ratios.
- (3) Assuming full allocation of Performance Shares, the maximum number of shares under LTIP 2026-2029 amounts to 710,000 Series C shares in the Company. Since the reward delivery method is the issuance of new Series C shares, this results in a maximum dilution of approximately 1.02 % of the total number of shares and votes in the Company. If all existing and proposed share-related incentive plans are included in the calculation, the total dilution and overhang correspond to approximately 4.54 % of the total number of shares and votes in the Company.

1.9 Preparation of the proposal

LTIP 2026-2029 has been initiated and prepared by the Board of Directors together with external advisors. LTIP 2026-2029 has been processed and discussed at Board meetings in 2026. No Participant has taken part in the preparation of LTIP 2026-2029.

(B) AMENDMENTS TO THE ARTICLES OF ASSOCIATION

In order to enable the Performance Share delivery under LTIP 2026-2029, the Board of Directors proposes that the Annual General Meeting resolves to amend § 4 of the Articles of Association by introducing a new series of shares, Series C shares, as set out below.

§ 4 Share Capital and Shares

<i>Current wording</i>	<i>Proposed wording</i>
<p>The share capital shall be no less than SEK 950,000 and no more than SEK 3,800,000. The number of shares in the company shall be no less than 38,000,000 and no more than 152,000,000.</p> <p>Shares of three classes may be issued: Series A and Series B. Series A shares shall carry ten (10) votes and series B shares shall carry one (1) vote each. Series C shares shall carry one tenth (0.1) of a vote each. A maximum of 1,500,000 Series A shares may be issued, a maximum of 150,500,000 Series B shares may be issued.</p> <p>Should the company decide to issue new shares of two classes, Series A and Series B, through a cash issue or a set-off issue, owners of Series A and Series B shares shall have preferential rights to subscribe for new shares of the same class in proportion to the number of shares they already hold (primary preferential right). Shares not subscribed for under the primary preferential right shall be offered to all shareholders (subsidiary preferential right). If the total number of shares subscribed for under the subsidiary preferential right cannot be issued, the shares shall be distributed among the subscribers in proportion to the number of shares they previously held and, to the extent this is not possible, by drawing lots.</p> <p>Should the company decide to issue shares of only Series A or Series B through a cash issue or a set-off issue, all shareholders, regardless of whether their shares are Series A or Series B, shall have preferential rights to subscribe for new shares in proportion to the number of shares they already hold.</p>	<p>The share capital shall be no less than SEK 950,000 and no more than SEK 3,800,000. The number of shares in the company shall be no less than 38,000,000 and no more than 152,000,000.</p> <p>Shares of three classes may be issued: Series A, Series B and Series C. Series A shares shall carry ten (10) votes each. Series B shares shall carry one (1) vote each. Series C shares shall carry one (1) vote each. A maximum of 1,500,000 Series A shares may be issued, a maximum of 150,500,000 Series B shares may be issued and a maximum of 710,000 Series C shares may be issued.</p> <p>Series A and Series B shares shall entitle to dividends. Series C shares shall not entitle to dividends. In the event of the dissolution of the company, Series C shares shall carry the same rights to the company's assets as the other shares, but not more than the amount corresponding to the quota value of the share.</p> <p>Should the company decide to issue new shares of all classes (Series A, Series B and Series C) through a cash issue or a set-off issue, owners of Series A, Series B and Series C shares shall have preferential rights to subscribe for new shares of the same class in proportion to the number of shares they already hold (primary preferential right). Shares not subscribed for under the primary preferential right shall be offered to all shareholders (subsidiary preferential right). If the total number of shares subscribed for under the subsidiary preferential right cannot be issued, the shares shall be distributed among the subscribers in proportion to the number of shares they previously held and, to the extent this is not possible, by drawing lots.</p>

<p>Should the company decide to issue warrants or convertibles through a cash issue or a set-off issue, the shareholders shall have preferential rights to subscribe for warrants as if the issue concerned the shares that may be newly subscribed for due to the warrant right, or preferential rights to subscribe for convertibles as if the issue concerned the shares for which the convertibles may be exchanged.</p> <p>The above shall not imply any restriction on the ability to resolve on a cash issue or a set-off issue with deviation from the shareholders' preferential rights.</p> <p>In the event of an increase in share capital through a bonus issue (capitalization issue), new shares of Series A and Series B shall be issued in proportion to the number of shares of the same class already in existence. In such cases, old shares of a certain class shall grant the right to new shares of the same class. Series C shares do not grant the right to participate in bonus issues. The aforementioned shall not restrict the possibility of issuing shares of a new class through a bonus issue, following the necessary amendment to the Articles of Association.</p>	<p>Should the company decide to issue shares of only one class through a cash issue or a set-off issue, all shareholders, regardless of whether their shares are Series A, Series B or Series C, shall have preferential rights to subscribe for new shares in proportion to the number of shares they already hold.</p> <p>Should the company decide to issue warrants or convertibles through a cash issue or a set-off issue, the shareholders shall have preferential rights to subscribe for warrants as if the issue concerned the shares that may be newly subscribed for due to the warrant right, or preferential rights to subscribe for convertibles as if the issue concerned the shares for which the convertibles may be exchanged.</p> <p>The above shall not imply any restriction on the ability to resolve on a cash issue or a set-off issue with deviation from the shareholders' preferential rights.</p> <p>In the event of an increase in share capital through a bonus issue (capitalization issue), new shares of Series A and Series B shall be issued in proportion to the number of shares of the same class already in existence. In such cases, old shares of a certain class shall grant the right to new shares of the same class. Series C shares do not grant the right to participate in bonus issues. The aforementioned shall not restrict the possibility of issuing shares of a new class through a bonus issue, following the necessary amendment to the Articles of Association.</p> <p><i>Redemption of Series C shares</i></p> <p>The Board of Directors may resolve on a reduction of the share capital by redemption of all Series C shares. In the event of a resolution on redemption, holders of Series C shares shall be obliged to redeem all their Series C shares for an amount corresponding to the quota value. Payment of the redemption amount shall be made as soon as possible after the reduction has been registered.</p> <p><i>Conversion of Series C shares</i></p>
--	---

	Series C shares held by the company itself may, upon a resolution by the Board of Directors, be converted into Series B shares. The conversion shall thereafter be immediately reported to the Swedish Companies Registration Office for registration and shall be deemed executed when it has been registered in the Register of Companies and noted in the central securities depository register.
--	--

The full text of the proposed Articles of Association is available on the Company's website.

A resolution under this item is conditional upon the Annual General Meeting also resolving to approve the Board of Directors' proposal for LTIP 2026-2029, in accordance with the provisions under item (a) above, and items (c) through (e) below.

(C) AUTHORISATION FOR THE BOARD OF DIRECTORS TO RESOLVE ON A DIRECTED ISSUE OF SERIES C SHARES

To ensure the Company can fulfill its obligations under LTIP 2026-2029, the Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors to, on one or more occasions until the next Annual General Meeting, resolve on a directed issue of no more than 710,000 Series C shares to a bank or a financial institution, in deviation from the shareholders' preferential rights. The subscription price shall correspond to the quota value of the share.

A resolution under this item is conditional upon the Annual General Meeting also resolving to approve the Board of Directors' proposal for LTIP 2026-2029, in accordance with the provisions under items (a) and (b) above, and items (d) and (e) below.

(D) AUTHORISATION FOR THE BOARD OF DIRECTORS TO REPURCHASE OWN SERIES C SHARES

To ensure that the Company holds the shares in treasury for subsequent conversion and delivery under LTIP 2026-2029, the Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors to, on one or several occasions until the next Annual General Meeting, resolve on the repurchase of all issued Series C shares from the subscribing bank or financial institution at a price per share corresponding to the quota value of the share. The payment for the repurchased shares shall be made in cash. Such repurchase may only be effected through a public offer directed to all holders of Series C shares and shall comprise all outstanding Series C shares at the time.

A resolution under this item is conditional upon the Annual General Meeting also resolving to approve the Board of Directors' proposal for LTIP 2026-2029, in accordance with the provisions under items (a) through (d) above.

(E) AUHTORISATION FOR THE BOARD OF DIRECTORS TO TRANSFER OWN SERIES B SHARES TO THE PARTICIPANTS OF THE LTIP 2026-2029

In order to enable the share delivery under LTIP 2026-2029, the Board of Directors proposes that the Annual General Meeting resolve on the transfer of no more than 710,000 Series B shares to participants of LTIP 2026-2029, following the reclassification of Series C shares into Series B shares in accordance with the Articles of Association. The transfer shall be made free of charge, in accordance with the timing and terms of LTIP 2026-2029.

A resolution under this item is conditional upon the Annual General Meeting also resolving to approve the Board of Directors' proposal for LTIP 2026-2029, in accordance with the provisions under item (a) above.

(F) SHARE SWAP AGREEMENT WITH A THIRD PARTY

If sufficient majority on items (b) through (e) is not obtained, the Board of Directors proposes that the Annual General Meeting 2026 resolves to secure delivery of shares under the plans by the Company entering into share swap arrangements with a third party, whereby the third party in its own name will acquire and transfer/sell shares in the Company to the Participants in LTIP 2026-2029. The relevant number of shares in this context will correspond to the number of shares proposed to be acquired and transferred/sold under item (a) above.

2 SPECIAL MAJORITY REQUIREMENT

For a valid resolution by the Annual General Meeting in accordance with the Board of Directors' proposal as set out under items 16 (b) through (d) above, the resolution must be supported by shareholders representing at least two thirds (2/3) of both the votes cast and the shares represented at the Annual General Meeting.

For a valid resolution by the Annual General Meeting in accordance with the Board of Directors' proposal as set out under item 16 (e) above, the resolution must be supported by shareholders representing at least nine tenths (9/10) of both the votes cast and the shares represented at the Annual General Meeting.

Gothenburg in April 2026

BICO Group AB (publ)

The Board of Directors