

*NOTE: This is an unofficial translation. In case of discrepancies, the Swedish version shall prevail.*

***The Nomination Committee's proposal to adopt a long-term incentive program for Board members of the Company (item 17)***

The Nomination Committee for Veg of Lund AB ("Veg of Lund" or the "Company"), excluding the Chairman of the Board, (when reference is made to the "Nomination Committee" in this proposal, it refers to the Nomination Committee excluding the Chairman of the Board) proposes that the AGM resolves to issue a maximum of 300,000 warrants within the scope of a long-term incentive program for certain Board members in Veg of Lund as follows.

The incentive program includes three of the Board members who are proposed for election at Veg of Lund's AGM, Johan Möllerström, Rolf Bjerndell and Anders Gustafsson. The incentive program entails that participants are offered to subscribe for warrants at market value calculated according to Black-Scholes valuation formula.

Each warrant shall entitle the holder to subscribe for one new share in the Company, during the period from and including 15 June 2026 to and including 15 July 2026, at an exercise price corresponding to 375 percent of the volume weighted average price of the Company's share during the period of ten trading days commencing on the day after the AGM 2023, however, not less than the quota value of the Company's share.

The price per warrant upon transfer to the participants shall be determined by an independent valuation institute as appointed by the Company and correspond to the market value of the warrant at the time of the acquisition, calculated in accordance with the Black-Scholes valuation formula. Based on a share price of SEK 1.61, the market value of the warrants has been preliminarily calculated at SEK 0.05 per warrant.

The number of shares that each warrant entitles to, as well as the exercise price, will be recalculated should the Company resolve on a share split, consolidation of shares, issue, etc. in accordance with customary recalculation conditions. The full terms and conditions for the warrants shall apply in all other aspects as set out in [Appendix B](#).

To be entitled to participate in the incentive program, the participant must have entered into an advance purchase agreement with Veg of Lund, whereby Veg of Lund, with certain exceptions, reserves the right to repurchase warrants if the participant's employment or assignment in Veg of Lund ends or if the participant in turn wishes to transfer the warrants before the warrants can be exercised.

*Allocation of warrants*

The right to acquire warrants shall accrue to the Board members Johan Möllerström, Rolf Bjerndell and Anders Gustafsson, provided that the participant has entered into an advance purchase agreement with the Company, whereby the Chairman of the Board, Johan Möllerström, shall be offered to acquire a maximum of 150,000 warrants, and Rolf Bjerndell and Anders Gustafsson a maximum of 75,000 warrants each.

*Costs and dilution*

The warrants will be transferred at market value, which means that no social security contributions are to be paid by Veg of Lund due to the acquisition of the warrants.

Based on the number of shares in Veg of Lund per day of the notice to the AGM, the maximum dilution effect of the warrant program will be approximately 1.20 percent. Taking into account also shares that can be issued in accordance with previously implemented incentive programs in the Company, as well as the proposed incentive program for employees and consultants in the Company, the maximum dilution amounts to approximately 11.14 percent.

For a description of the Company's other long-term incentive programs, please visit Veg of Lund's website, [ir.dugdrinks.com](http://ir.dugdrinks.com).

The incentive program is only expected to have a marginal effect on the Company's key ratios.

*The rationale for the incentive program*

The Nomination Committee considers that a share-related incentive program is an important part of a competitive remuneration package to attract and motivate competent Board members, as well as maximize value for all shareholders. The Nomination Committee further considers that the warrant program will increase the Board

members' involvement in the Company's operations, strengthen the loyalty to the Company and be in favor of both the Company and its shareholders.

*Preparation of the proposal*

The incentive program has been prepared by the Nomination Committee, whereby the Board has been instructed to include the proposal in the notice.

**Majority requirements**

Resolution in accordance with above require approval of at least nine tenths (9/10) of the shares represented and votes cast at the AGM.

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Malmö, May 2023  
**Veg of Lund AB (publ)**  
*The Nomination Committee*

### Resolution on an issue of warrants

The Nomination Committee proposes that the AGM resolves on an issue of not more than 300,000 warrants, meaning that the share capital can increase by not more than SEK 19,200.

1. The right to subscribe for warrants shall, with deviation from the shareholders' pre-emption rights, accrue to Johan Möllerström, Rolf Bjerndell and Anders Gustafsson, who are proposed for election at Veg of Lund AB (publ)'s AGM 2023, meaning not more than three participants.
2. The warrants shall be issued on market terms, whereby the subscription price shall correspond to the market value determined using the Black-Scholes valuation formula calculated by an independent valuation institute.
3. Each warrant shall entitle the holder to subscribe for one new share in Veg of Lund AB (publ), during the period from and including 15 June 2026 to and including 15 July 2026, at an exercise price corresponding to 375 percent of the volume weighted average price of the Company's share during the period of ten trading days commencing on the day after the Annual General Meeting 2023, however, not less than the quota value of the Company's share. Any premium shall be distributed to the non-restricted share premium reserve.
4. Subscription for warrants shall take place not later than 28 June 2023. The Board of Directors shall be entitled to extend the subscription period.
5. Payment for the warrants shall be made not later than 28 June 2023. The Board of Directors shall be entitled to extend the payment period.
6. The full terms and conditions for the warrants shall apply in all other aspects, as set out in the complete terms and conditions, Appendix B1.

Furthermore, it is proposed that the CEO is authorised to make minor adjustments and clarifications of the resolution to the extent that such should be required for the registration with the Swedish Companies Registration Office.

The reason for the deviation from the shareholders' pre-emption rights is to implement an incentive program for the Board of Directors in the company.

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