

# ANNUAL GENERAL MEETING 2024

Minutes kept at the annual general meeting of  
Hemnet Group AB (publ), Reg. No. 559088-4440,  
on 25 April 2024 in Stockholm

## **§ 1 Opening of the meeting and election of the chair of the annual general meeting.**

The general meeting was opened by the chair of the board of directors, Anders Nilsson.

At the proposal of the nomination committee, attorney (Sw. *advokat*) Björn Kristiansson, was elected as chair of the general meeting. It was noted that the General Counsel of Hemnet Group AB (publ), Anna Forsebäck, was appointed to keep the minutes of the general meeting.

It was noted that shareholders, in addition to being physically present at the annual general meeting, have been able to exercise their voting rights at the annual general meeting through postal voting in advance, in accordance with Chapter 7 Section 4 a of the Swedish Companies Act (Sw. *aktiebolagslagen*) and Hemnet's articles of association.

## **§ 2 Preparation and approval of the voting register.**

A list of present shareholders was prepared, including shareholders who have chosen to exercise their voting rights at the general meeting through postal voting, in accordance with Appendix 1. The list was approved as the voting register for the general meeting.

It was noted that shareholders representing 60,727,744 shares and votes, corresponding to approximately 63.247 percent of all outstanding shares and votes in the company, were represented at the general meeting.

## **§ 3 Approval of the agenda.**

It was resolved to approve the proposed agenda which was included in the notice to the general meeting.

## **§ 4 Election of one or two persons to verify the minutes.**

Jonas Bergh, representing Mäklarsamfundet Bransch i Sverige AB, and Andreas Haug, representing Vor Capital LLP, were elected to alongside the chair verify the minutes.

## **§ 5 Determination of whether the meeting has been duly convened.**

It was noted that the notice of the general meeting had been published on the company's website on 21 March 2024 and in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) on

26 March 2024, and that an announcement announcing that the notice had been issued had been published in Svenska Dagbladet on 26 March 2024.

It was thereafter declared that the meeting had been duly convened.

#### **§ 6 Presentation by the chair of the board of directors and the CEO.**

The chair of the board of directors, Anders Nilsson, and the company's CEO, Cecilia Beck-Friis, held presentations. Anders Nilsson thanked the resigning board member Pierre Siri in connection with his presentation.

Thereafter, Cecilia Beck-Friis answered questions from shareholders.

#### **§ 7 Presentation of the parent company's annual report and auditor's report, as well as the consolidated financial statements and the auditor's report.**

The parent company's annual report and auditor's report, as well as the Hemnet group's annual report and auditor's report, for the financial year 2023 were presented.

The company's auditor-in-charge, Anna Svanberg from Ernst & Young Aktiebolag presented the auditor's report and the audit work performed during 2023.

#### **§ 8 Resolutions to adopt the parent company's income statement and balance sheet, as well as the consolidated income statement and the consolidated balance sheet.**

It was resolved to adopt the income statement and the balance sheet included in the annual report for the parent company as well as the Hemnet group's income statement and balance sheet for the financial year 2023.

#### **§ 9 Presentation of the board of directors' remuneration report for approval.**

The annual general meeting resolved to approve the presented remuneration report, in accordance with Appendix 2.

#### **§ 10 Resolution regarding allocation of the company's profit in accordance with the approved balance sheet and record date for dividends.**

The annual general meeting resolved, in accordance with the board of directors' proposal, on a dividend to the the shareholders of SEK 1.20 per share for the financial year 2023. The record date of the dividend is 29 April 2024 and the day of payment is 3 May 2024.

#### **§ 11 Resolution to discharge the board members and the CEO from liability.**

The annual general meeting resolved to discharge each board member and the CEO from liability for the financial year 2023. It was noted that, with the exception of those shareholders who had

notified in advance or by postal vote that they had voted against or abstained from voting, all other shareholders participating in the resolution voted in favour of the resolution.

It was noted that the individuals concerned, insofar as they were included in the voting register, did not participate in the resolution in regard to themselves.

**§ 12 Determination of:**

- A. The number of board members to be appointed by the annual general meeting.**
- B. The number of auditors and deputy auditors to be appointed by the annual general meeting.**

A. The annual general meeting resolved, in accordance with the nomination committee's proposal, that the number of board members shall be seven (7) and that no deputy members shall be appointed, for the period until the end of the next annual general meeting.

B. The annual general meeting resolved, in accordance with the nomination committee's proposal, that one (1) registered accounting firm shall be appointed as auditor and that no deputy auditors shall be appointed, for the period until the end of the next annual general meeting.

**§ 13 Determination of:**

- A. The fees to be paid board members.**
- B. The fees to be paid to the auditors.**

A. The annual general meeting resolved, in accordance with the nomination committee's proposal, that remuneration to each board member shall amount to SEK 375,000 annually and that remuneration to the chair of the board of directors shall amount to SEK 910,000 annually.

The annual general meeting resolved, in accordance with the nomination committee's proposal, that remuneration to each member of the audit committee shall amount to SEK 85,000 annually and that remuneration to the chair of the audit committee shall amount to SEK 160,000 annually.

The annual general meeting also resolved, in accordance with the nomination committee's proposal, that remuneration to each member of the remuneration committee, as well as to the chair of the remuneration committee, shall amount to SEK 85,000 annually.

B. The annual general meeting approved, in accordance with the nomination committee's proposal, that fees shall be paid to the company's auditors upon approval of their invoices.

**§ 14 Election of members of the board of directors.**

The annual general meeting resolved, for the period until the end of the next annual general meeting and in accordance with the nomination committee's proposal, to re-elect Anders Nilsson,

Anders Edmark, Håkan Hellström, Tracey Fellows, Nick McKittrick and Maria Redin as well as to elect Rasmus Järborg.

It was noted that Pierre Siri had declined re-election.

#### **§ 15 Election of chair of the board of directors.**

The annual general meeting resolved, in accordance with the nomination committee's proposal, to re-elect Anders Nilsson as chair of the board of directors.

#### **§ 16 Election of auditors.**

The annual general meeting resolved, in accordance with the nomination committee's proposal and in accordance with the audit committee's recommendation, to appoint the registered auditing firm Ernst & Young Aktiebolag as the company's auditor for the period until the end of the next annual general meeting. It was also noted that the authorised public accountant Anna Svanberg will continue as the auditor-in-charge.

#### **§ 17 Resolution on approval of updated instructions for the nomination committee.**

The annual general meeting resolved, in accordance with nomination committee's proposal in accordance with Appendix 3, on the approval of updated instructions for the nomination committee.

#### **§ 18 Resolution to grant the board of directors the authority to resolve on an issue of new shares.**

The annual general meeting resolved, in accordance with the board of directors' proposal in accordance with Appendix 4, to grant the board of directors the authority, on one or more occasions, for the period until the next annual general meeting, to resolve on an issue of new shares, either applying or disapplying shareholders' pre-emption rights.

It was noted that the resolution was supported by the necessary majority. It was further noted that, with the exception of those shareholders who had notified in advance or by postal vote that they had voted against or abstained from voting, all other shareholders participating in the resolution voted in favour of the resolution.

#### **§ 19 Resolution on (A) a reduction of the share capital through cancellation of treasury shares and (B) an increase of the share capital through a bonus issue.**

The annual general meeting resolved, in accordance with the board of directors' proposal in accordance with Appendix 5, to (A) reduce the share capital through cancellation of treasury ordinary shares and (B) increase the share capital through a bonus issue.

It was noted that the resolution was supported by the necessary majority. It was further noted that, with the exception of those shareholders who had notified in advance or by postal vote that they

had voted against or abstained from voting, all other shareholders participating in the resolution voted in favour of the resolution.

**§ 20 Resolution on (A) the implementation of a long-term performance share program and (B) the transfer of ordinary shares to participants under the performance share program.**

Anders Nilsson answered questions from shareholders regarding the long-term performance share program.

The annual general meeting resolved, in accordance with the board of directors' proposal in accordance with Appendix 6, on (A) the implementation of a long-term performance share program and (B) the transfer of ordinary shares to the participants under the performance share program.

It was noted that the resolutions were supported by the necessary majority. It was further noted that, with the exception of those shareholders who had notified in advance or by postal vote that they had voted against or abstained from voting, all other shareholders participating in the resolutions voted in favour of the resolutions.

**§ 21 Resolution regarding authorization for the board of directors to resolve on purchases of the company's shares.**

The annual general meeting resolved, in accordance with the board of directors' proposal in accordance with Appendix 7, to authorize the board of directors to resolve on purchases of the company's ordinary shares.

It was noted that the resolution was supported by the necessary majority. It was further noted that, with the exception of those shareholders who had notified in advance or by postal vote that they had voted against or abstained from voting, all other shareholders participating in the resolution voted in favour of the resolution.

**§ 22 Closing of the annual general meeting.**

It was concluded that all items on the agenda for the annual general meeting had been addressed, after which the annual general meeting was declared closed.

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Keeper of the minutes:

Approved:

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Anna Forsebäck

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Björn Kristiansson

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Jonas Bergh

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Andreas Haug

## **Hemnet Group AB (publ) – Voting register at the general meeting**

In the minutes from the annual general meeting 2024 the voting register at the general meeting (Appendix 1) is left out.

## Remuneration report 2023

This report describes how the guidelines for remuneration in Hemnet Group AB (publ) (“Hemnet” or “the Company”), adopted by the 2023 Annual General Meeting, have been applied for the financial year 2023. The report also contains information on remuneration to the CEO and a summary of the company's outstanding share and share price-related incentive programs.

The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on remuneration to senior executives and on incentive programs.

Further information on remuneration to senior executives can be found in note G8 (Employee remuneration, etc.) on pages 54-56 in the annual report for 2023. They include fixed and variable remuneration, long-term incentive programs and other benefits, in accordance with the requirements in Chapter 5, paragraphs 40-44 in the Annual Accounts Act (1995:1554).

Information about the remuneration committee's work during 2023 can be found in the corporate governance report on pages 34-39 in the annual report for 2023.

Board fees are not covered by this report. Such fees are decided annually by the Annual General Meeting and are reported in note G8 on page 54 in the annual report for 2023.

### Key developments during 2023

Hemnet's CEO, Cecilia Beck-Friis, summarizes the company's overall results and important events in its report on page 7 in the 2023 annual report.

### The Company's remuneration guidelines, scope and purpose, and deviations

A prerequisite for a successful implementation of the company's business strategy and the safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified employees. The company's remuneration guidelines enable senior executives to be offered a competitive total remuneration. According to the remuneration guidelines, remuneration to senior executives must be market-based and may consist of the following components: fixed cash salary, variable cash remuneration linked to clear goals set for the company, opportunity to participate in incentive programs, pensions and other customary benefits. The variable cash compensation must be linked to financial or non-financial concrete and measurable goals for the Company and/or the department that the manager is responsible for. Decisions regarding variable payment models and the outcome of such models shall be made by the Board of Directors. The variable cash remuneration may amount to not more than 50 percent of the fixed annual cash salary.

The guidelines can be found on pages 55-56 in the annual report for 2023 and at <https://www.hemnetgroup.se/en/governance/executive-remuneration/>. In 2023, the company followed the applicable remuneration guidelines adopted by the Annual General Meeting. No deviations from the guidelines have been made and no deviations have been made from the decision-making process that according to the guidelines is to be applied to determine the compensation. The auditor's opinion on the company's compliance with the guidelines is available at <https://www.hemnetgroup.se/en/governance/general-meeting/>. No compensation has been claimed back. In addition to the remuneration covered by the remuneration guidelines, the company's AGMs have decided to introduce long-term share-based incentive programs.



Table 1 – Total CEO remuneration in 2023 (SEK thousand)

| Name of director<br>(position) | Fixed remuneration       |                  | Variable remuneration |  | Pension | Total remuneration | Proportion of fixed and variable remuneration**** |
|--------------------------------|--------------------------|------------------|-----------------------|--|---------|--------------------|---|
|                                | Fixed cash remuneration* | Other benefits** | 1-year variable***    |  |         |                    |   |
| Cecilia Beck-Friis (CEO)       | 4,152                    | 52               | -                     |  | 859     | 5,063              | 100%/0%   |

\* Including vacation supplement of SEK 115 thousand.

\*\* Including cost reimbursements, allowances and health care benefit.

\*\*\* Refers to variable compensation earned in 2023, paid out in 2024.

\*\*\*\* Pension costs, which are entirely Fixed cash remuneration and is defined contribution, have been reported as fixed remuneration.

### Share-related incentive programs

#### Warrants

On 26 April, 2021, the Annual General Meeting resolved to introduce a three-year incentive programme for senior executives and other selected employees with key competencies. The purpose of the program is, among other things, to retain and attract key competencies, achieve increased common interests between employees within the company and the company's shareholders and increase the motivation to achieve or exceed the company's financial goals. The number of warrants per participant depends on the participant's position and responsibilities within the Group. Furthermore, if the company's average share price, calculated in the manner specified in the full terms of the warrants, exceeds 250 percent of the price at the company's IPO in connection with new subscriptions of shares exercising the warrants, a recalculated lower number of ordinary shares to which each warrant entitles drawing of is applied, which creates a ceiling for the outcome of the program. The company will reserve the right to repurchase warrants, among other things, if the participant's employment in the company is terminated.

On 26 April, 2021, the Annual General Meeting resolved to issue warrants of series 2021/2024 ("LTIP 2021"). The Annual General Meeting also resolved to approve the transfer of warrants to existing and / or new participants no later than 31 December 2021. A total of 469,253 warrants were subsequently issued, of which 421,458 were acquired by senior executives and other selected employees with key competencies, of which the CEO acquired 97,135 warrants. The number issued as of 31 December 2023 was 469,253 and the number held by senior executives and other selected employees with key competencies was 342,492, of which the CEO held 97,135 warrants.

The warrants can only be exercised for a period of three months after a vesting period of three years from the issue of the warrants has expired. Vesting will be 50 percent linearly for 24 months from 26 April 2021 and the remaining 50 percent linearly for 9 months from 26 April 2023. Each warrant can be exercised to subscribe for one ordinary share in the company during the subscription period.

The price for a warrant was set at SEK 11.89. The redemption price amounts to SEK 153.70, after adjustment for paid dividends.

On 29 April, 2022, the Annual General Meeting resolved to issue warrants of series 2022/2025 ("LTIP 2022"). The Annual General Meeting also resolved to approve the transfer of warrants to existing and / or new participants no later than 31 December 2022. A total of 533,000 warrants were subsequently issued, of which 269,249 were acquired by senior executives and other selected employees with key competencies, of which the CEO acquired 100,000 warrants. The number issued as of 31 December 2023 was 533,000 and the number held by senior executives and other selected employees with key competencies was 253,905, of which the CEO held 100,000 warrants.

The warrants can only be exercised for a period of three months after a vesting period of three years from the issue of the warrants has expired. Vesting will be 50 percent linearly for 24 months from 16 May 2022 and the remaining 50 percent linearly for 9 months from 17 May 2024. Each warrant can be exercised to subscribe for one ordinary share in the company during the subscription period.

The average price for a warrant was SEK 17.26. The redemption price amounts to SEK 154.10, after adjustment for paid dividends.

On 27 April, 2023, the Annual General Meeting resolved to issue warrants of series 2023/2027 ("LTIP 2023"). The Annual General Meeting also resolved

to approve the transfer of warrants to existing and / or new participants no later than 31 December 2023. A total of 527,000 warrants were subsequently issued, of which 214,258 were acquired by senior executives and other selected employees with key competencies, of which the CEO acquired 80,000 warrants. The number issued as of 31 December 2023 was 527,000 and the number held by senior executives and other selected employees with key competencies was 214,258, of which the CEO held 80,000 warrants.

The warrants can be exercised during five individual subscription periods of 1.5 months respectively, starting on 15 May 2026 and ending on 1 June 2027, after a vesting period of three years from the issue of the warrants. Vesting will be 50 percent linearly for 24 months from 15 May 2023 and the remaining 50 percent linearly for 9 months from 16 May 2025. Each warrant can be exercised to subscribe for one ordinary share in the company during the subscription period.

The average price for a warrant was SEK 23.21. The redemption price amounts to SEK 207.20 - SEK 222.00, depending on subscription period.

Since the warrants in all three programs - LTIP 2021, LTIP 2022 and LTIP 2023 - were subscribed for at market value and the program was regulated with equity, no cost for the program was reported in the income statement. The original market value is produced via an external valuation, based on the Company's share price.

Application of performance criteria

The performance criteria for the CEO's variable remuneration have been chosen to realize the company's strategy and to encourage actions that are in the company's long-term interest. When selecting performance criteria,

the strategic goals as well as short- and long-term business priorities for the year 2023 have been taken into account.

Table 2 – CEO's performance during the reported year: variable remuneration

| Name of director (position) | Relative weighting of performance criteria<br>Description of criteria attributable to the compensation component | Relative weighting of performance criteria | a) Measured performance and<br>b) actual allocation / compensation outcome |
|-----------------------------|--|--|--|
| Cecilia Beck-Friis (CEO)    | Net sales  | 50%  | a) 0%<br>b) SEK -  |
|                             | Adjusted EBITDA  | 50%  | a) 0%<br>b) SEK -  |

Comparative information regarding changes in remuneration and the company's earnings

As this is Hemnet's third remuneration report, the information in the table below refers only to the financial years 2021-2023. In future

Remuneration Reports, the table will be extended until there is a comparison of the latest five years.

Table 3 – Changes in remuneration and company's result during the last reported financial year

|  | 2023           | 2022  | 2021  |
|--|----------------|-------|-------|
| Remuneration to CEO (SEK thousand)   | 5,063 (-10,3%) | 5,644 | 4,379 |
| Operating profit (SEK million)   | 448.2 (+18.7%) | 377.5 | 223.9 |
| Adjusted EBITDA (SEK million)  | 525.5 (+17.3%) | 448.1 | 355.0 |
| Average compensation based on number of full-time equivalents* in the group (SEK thousand) | 780 (+2,9%)    | 758   | 704   |

\*A comparison with the company's employees, Hemnet Group AB (publ), is not possible as it only employs the CEO. The calculation excludes CEO & Group Management.



*Hemnet operates the leading property platform in Sweden. The company emerged as an industry initiative in 1998 and has since transformed into a "win-win" value proposition for the housing market. By offering a unique combination of relevant products, insights and inspiration, Hemnet has built lasting relationships with buyers, sellers, and agents for more than 20 years. Hemnet shares a mutual passion for homes with its stakeholders and is driven by being an independent go-to-place for people to turn to for the various housing needs that arise through life. This is mirrored in the Company's vision to be the key to your property journey, supplying products and services to improve efficiency, transparency and mobility on the housing market. Hemnet's is listed on Nasdaq Stockholm ('HEM').*

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## Instructions for the Nomination Committee – Hemnet Group AB (publ)

### Adopted at the Annual General Meeting on 25 April 2024

These rules regarding nominating the Nomination Committee shall apply until a resolution regarding change of the procedure for nominating the Nomination Committee is resolved by the General Meeting.

1. The Company shall have a Nomination Committee consisting of one of each of the four shareholders or group of shareholders controlling the largest number of votes according to section 3 below, which desires to appoint a representative. The Chair of the Board of Directors shall be co-opted to the Nomination Committee, and is responsible for convening the Nomination Committee's first meeting. Should it not be possible to convene a Nomination Committee consisting of four shareholder representatives after contact has been made with the ten shareholders controlling the largest number of votes in the Company, the Nomination Committee may consist of three shareholder representatives.
2. The names of the four shareholder representatives and the names of the shareholders they represent shall be published not later than six months prior to the Annual General Meeting. The Nomination Committee's term of office extends until a new Nomination Committee has been appointed. Chair of the Nomination Committee shall, if the members of the committee unanimously do not agree otherwise, be the member that represents the shareholder controlling the largest number of votes.
3. The Nomination Committee shall be formed based on the shareholder statistics from the Euroclear Sweden AB, as per the last banking day in August the year before the Annual General Meeting and on all other reliable ownership information that has been provided to the Company at this point in time. In the assessment of the four largest shareholders a group of shareholders shall be regarded as one owner provided that they (i) have been grouped together in Euroclear Sweden's system or (ii) have made public and notified the Company in writing that they have agreed in writing to have a long-term unified conduct regarding the management of the company through coordinating the use of their voting rights.
4. If one or more shareholders who have appointed members of the Nomination Committee cease to belong to the four largest shareholders in terms of voting rights, said members shall make their seats available and the shareholder(s) that currently is among the four largest shareholders shall, after having contact with the Chair of the Nomination Committee, have the right to appoint its own member of the Nomination Committee. If the change occurs later than four months before the Annual General Meeting no changes shall, however, be made in the composition of the Nomination Committee. A shareholder that has become one of the four largest shareholders due to a significant change in the number of votes held later than four months before the Annual General Meeting shall, however, be entitled to appoint a representative who shall be invited to participate in the committee's work as a co-opted member.

A shareholder, which has appointed a member of the Nomination Committee, has the right to dismiss its appointed member and appoint a new member of the Nomination Committee. Changes of the composition of the Nomination Committee shall be published on the Company's website as soon as such changes have taken place.

5. The Nomination Committee shall present the following proposals for resolutions at the Annual General Meeting (regarding (b) – (f), and if appropriate, at an Extraordinary General Meeting):
  - (a) proposal for Chair of the Meeting;
  - (b) proposal for Members of the Board of Directors;
  - (c) proposal for Chair of the Board of Directors;
  - (d) proposal for remuneration to the Members of the Board of Directors, distinguishing between the Chair of the Board of Directors and other Members of the Board of Directors and remuneration for committee work;
  - (e) proposal for auditors;
  - (f) proposal for remuneration to the Company's auditors; and
  - (g) proposal for any changes to these instructions for the Nomination Committee.
6. That the Nomination Committee shall, in connection with their assignment, accomplish their duties in accordance with the Swedish Code of Corporate Governance and the Company shall, upon the request of the Nomination Committee, provide the Nomination Committee with personnel resources, such as secretarial services, in order to facilitate the Nomination Committee's work. There shall be no remuneration to the members of the Nomination Committee. If necessary, the Company shall also assist the Nomination Committee with reasonable costs for external consultancy services that the Nomination Committee assesses as necessary in order for the Nomination Committee to be able to complete its assignment.

## **Hemnet Group AB (publ) – Proposal by the board of directors for a resolution to grant the board of directors the authority to resolve on an issue of new shares – item 18**

The board of directors proposes that the annual general meeting adopts a resolution granting the board of directors the authority, on one or more occasions, for the period until the next annual general meeting, to resolve on an issue of new shares, either applying or disapplying shareholders' pre-emption rights.

The number of shares issued by virtue of the authorization may not exceed an increase of ten (10) percent of the share capital based on the share capital of the company on the date of the annual general meeting.

Payment may, in addition to being made in cash, be made by way of non-cash consideration or set-off, or otherwise subject to conditions. If the board of directors resolves to issue new shares disapplying the shareholders' pre-emption rights, the reason for this must be to implement acquisitions of companies or to finance such acquisitions and/or to obtain new owners of strategic importance for the company. Issues of new shares where shareholders' pre-emption rights are disappplied must be made at the market subscription price, including a market issue discount, where applicable.

The board of directors also proposes that the shareholders adopt a resolution at the annual general meeting granting the CEO, or an individual appointed by the CEO, the authority to make any minor adjustments to the shareholders' resolution as may prove necessary in connection with the registration with the Swedish Companies Registration Office or due to any other statutory or regulatory requirements.

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A resolution will only be validly adopted if shareholders holding no less than two thirds (2/3) of both the votes cast and the shares represented at the meeting vote in favor of the proposal.

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Stockholm, March 2024

Hemnet Group AB (publ)

The board of directors

## **Hemnet Group AB (publ) – Proposal by the board of directors for a resolution on (A) a reduction of the share capital through cancellation of treasury shares and (B) an increase of the share capital through a bonus issue – item 19**

### **A. Reduction of the share capital through cancellation of treasury shares**

The board of directors proposes that the annual general meeting resolves to reduce the company's share capital by an amount of SEK 1,663,090.371164 by way of cancellation of the 2,112,069 treasury ordinary shares that as of 18 March 2024 have been repurchased by the company under the company's share buy-back program. The reduction amount shall be allocated to unrestricted equity.

The resolution to reduce the share capital under this item (A) may be carried out without obtaining an authorization from the Swedish Companies Registration Office as the company simultaneously carries out a bonus issue, as set out under item (B) below, with the corresponding amount as the share capital is being reduced with, as set out above. Combined, these measures entail that neither the company's restricted equity nor its share capital is reduced.

### **B. Increase of the share capital through a bonus issue**

With the purpose of restoring the share capital following the proposed reduction of the share capital as set out under item (A) above, the board of directors proposes that the annual general meeting simultaneously resolves to increase the share capital by way of a bonus issue with an amount of SEK 1,663,090.371164, which corresponds to the amount that the share capital is reduced with by way of cancellation of treasury ordinary shares, as set out under item (A) above. The bonus issue shall be carried out without the issuance of new ordinary shares, through the amount being transferred from unrestricted equity.

The board of directors proposes that the annual general meeting adopts the resolutions under items (A) and (B) above as a joint resolution.

The board of directors also proposes that the shareholders adopt a resolution at the annual general meeting granting the CEO, or an individual appointed by the CEO, the authority to make any minor adjustments to the shareholders' resolution as may prove necessary in connection with registration with the Swedish Companies Registration Office or Euroclear Sweden AB, or due to any other statutory or regulatory requirements.



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A resolution will only be validly adopted if shareholders holding no less than two thirds (2/3) of both the votes cast and the shares represented at the meeting vote in favor of the proposal.

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Stockholm, March 2024

Hemnet Group AB (publ)

The board of directors

## **Hemnet Group AB (publ) – Proposal by the board of directors for a resolution on (A) the implementation of a long-term performance share program (Performance Share Program 2024/2027) and (B) the transfer of ordinary shares to participants under the Performance Share Program 2024/2027 – item 20**

The board of directors proposes that the annual general meeting resolves on (A) the implementation of a long-term performance share program ("**Performance Share Program 2024/2027**") and (B) the transfer of ordinary shares to participants under the Performance Share Program 2024/2027. If the annual general meeting does not support item (B), the board of directors proposes that (C) delivery of shares under the Performance Share Program 2024/2027 shall be conducted through entering into a share swap agreement with a third party.

### **Background and rationale**

The board of directors considers it to be in the interest of the company and the shareholders that the executive management and certain other key employees in the company are made part of the company's development by being offered participation in the Performance Share Program 2024/2027. The board of directors believes that the implementation of the Performance Share Program 2024/2027 would contribute to the company's possibilities to retain and attract key competence and to increase motivation for the executive management and certain other key employees in the company by being involved in and working towards the objectives of the performance targets, which aims at supporting the long-term ambitions of Hemnet, and that it would be beneficial for the company and the shareholders to encourage the executive management's and key employee's long-term ownership of Hemnet's shares, thereby aligning the executive management's and key employees' interests with the interests of the shareholders. The performance targets in Series C (see below) are designed to incentivize sustainable growth by rewarding the company's revenue development combined with maintained high customer and partner satisfaction and are therefore contributing to a long-term robust company as well as the sustained development of Hemnet's position in the Swedish property market.

It is the board of directors' intention that the structure of the Performance Share Program 2024/2027 shall be on a long-term basis and the board of directors therefore intends to, following evaluation of the implementation of the Performance Share Program 2024/2027, present corresponding proposals regarding the implementation of performance share programs also to the upcoming annual general meetings.

The board of directors' proposal includes (A) the implementation of the Performance Share Program 2024/2027, (B) the transfer of ordinary shares to participants in the Performance Share Program 2024/2027 and, in the event the annual general meeting does not support item (B), (C) delivery of shares under the

Performance Share Program 2024/2027 through the company entering into a share swap agreement with a third party.

**A. The board of directors' proposal for resolution on implementation of the Performance Share Program 2024/2027**

**Participants in Performance Share Program 2024/2027**

The Performance Share Program 2024/2027 is proposed to be directed to a total of not more than 37 individuals divided between four categories: one category consisting of the CEO (one (1) individual) ("**Category 1**"), one category consisting of the members of the group management team (five (5) individuals) ("**Category 2**"), one category consisting of the members of the extended leadership team (seven (7) individuals) ("**Category 3**") and one category consisting of certain other leaders and key employees (24 individuals) ("**Category 4**").

In addition to these 37 participants, the board of directors proposes that the annual general meeting resolves to approve that up to five (5) additional individuals (one (1) individual in Category 3 and four (4) individuals in category 4) may join the Performance Share Program 2024/2027, however no later than 29 November 2024.

**Investment requirement**

Participation in the Performance Share Program 2024/2027 is conditional upon that the participant makes an own investment in shares in Hemnet and/or that the participant already holds shares in Hemnet (the "**Investment Shares**") and that the participant allocates the Investment Shares to the Performance Share Program 2024/2027. The allocation of Investment Shares must be made no later than 14 June 2024. The board of directors shall be entitled to postpone the deadline for allocation of Investment Shares.

The participants may choose to invest in 50 percent or 100 percent of the following number of Investment Shares:

| <b>Category</b> | <b>Participant(s)<sup>1</sup></b>                  | <b>Maximum number of Investment Shares per participant</b> |
|-----------------|--|--|
| 1               | Chief Executive Officer                            | 975 Investment Shares                                      |
| 2               | Group management team (participants: 5)            | 450 Investment Shares                                      |
| 3               | Extended leadership team (participants: 8)         | 200 Investment Shares                                      |
| 4               | Other leaders and key employees (participants: 28) | 125 Investment Shares                                      |
| <b>Total:</b>   |  | <b>8,325 Investment Shares</b>                             |

<sup>1</sup> Including potential additional participants (up to five (5) additional participants as described above).

### **Performance Share Rights**

Each participant in Performance Share Program 2024/2027 will, for each Investment Share, be granted a number of performance share rights ("**Performance Share Rights**") free of charge. Each Performance Share Right gives the participants the right to receive one (1) share in Hemnet ("**Performance Shares**"), free of charge, from Hemnet or a designated third party, subject to fulfilment of the conditions for receiving Performance Shares and potential recalculations, as set out below. The Performance Share Rights shall not constitute securities and are not transferable.

Granting of Performance Share Rights to the participants will take place on or around 17 June 2024. The board of directors shall be entitled to postpone the granting of Performance Share Rights.

A participant will only be eligible to receive Performance Shares if:

- the Investment Shares have been retained by the participant during the period starting on 17 June 2024 and ending immediately following the day of announcement of the interim financial report for the first quarter 2027 (the "**Vesting Period**"),
- the participant has remained in its employment with the company during the Vesting Period, and
- the minimum performance target levels, as described below, are reached.

Allotment of Performance Shares will, if the conditions are fulfilled, take place as soon as practicably possible following the expiration of the Vesting Period.

Participants in Categories 1, 2 and 3 receive six (6) Performance Share Rights for each Investment Share. Participants in Category 4 receive three (3) Performance Share Rights for each Investment Share. The Performance Share Rights are divided into Performance Share Rights of Series A, Series B and Series C.

Of the six (6) Performance Share Rights that the participants in Categories 1, 2 and 3 receive for each Investment Share, one (1) shall be a Performance Share Right of Series A, three (3) shall be Performance Share Rights of Series B and two (2) shall be Performance Share Rights of Series C.

Of the three (3) Performance Share Rights that the participants in Category 4 receive for each Investment Share, one (1) shall be a Performance Share Right of Series A, one (1) shall be a Performance Share Right of Series B and one (1) shall be a Performance Share Right of Series C.

The maximum number of Performance Shares that may be allotted to the participants after the end of the Vesting Period is 42,000, including dividend compensation (if any).

The extent (if any) to which the participant's Performance Share Rights will entitle to the grant of Performance Shares after the end of the Vesting Period will be determined on the basis of the degree of fulfillment of the performance conditions that are described below.

***Performance Share Rights of Series A - TSR development (A)***

Allotment requires an accumulated total share return (TSR) development for Hemnet's shares during the period March 2024 to March 2027 of minimum 7.5 percent.

TSR is defined as total return on the share calculated including reinvested dividends. To provide a stable assessment of performance, the TSR development will be calculated based on the average closing price of the Hemnet share on Nasdaq Stockholm for all trading days in March 2024, in comparison with the corresponding period in March 2027.

***Performance Share Rights of Series B - TSR development (B)***

Allotment requires that the annual average TSR development for Hemnet's shares during the period March 2024 to March 2027, calculated based on the average closing price of the Hemnet share on Nasdaq Stockholm for all trading days in March 2024, in comparison with the corresponding period in March 2027, is a minimum of 7.5 percent. Allotment is linear between 7.5 percent and the maximum level which is 15.0 percent.

***Performance Share Rights of Series C – Average Agent satisfaction (C1), Seller NPS (C2) and Buyer NPS (C3)***

Full allotment requires a positive development of each of the key performance indicators Average Agent satisfaction, Seller NPS and Buyer NPS in the first quarter of 2027 compared to the first quarter of 2024. The key performance indicators are measured independently and are equally weighted (entailing that the positive development of only one of these key performance indicators results in the allotment of one third (1/3) of the full allotment with respect to Performance Share Rights of Series C, that the positive development of two of these key performance indicators results in the allotment of two thirds (2/3) of the full allotment with respect to Performance Share Rights of Series C, and that the positive development of three of these key performance indicators results in full allotment with respect to Performance Share Rights of Series C) and are calculated in accordance with the following:

C1 – Average Agent satisfaction: The key performance indicator is calculated with common practice methodology for Customer Satisfaction Index (Sw: NKI) whereby the majority of active agents over the course of a year answers three questions reflecting different aspects of customer satisfaction. The survey is sent out on a quarterly basis.

C2 – Seller NPS: The key performance indicator is calculated with common practice methodology for Net Promoter Score whereby property sellers are approached with the question on whether they would be willing to recommend a friend or a colleague to list on Hemnet. The survey is sent out to all property sellers having listed on Hemnet.

C3 – Buyer NPS: The key performance indicator is calculated with common practice methodology for Net Promoter Score whereby potential property buyers are approached and, after having confirmed that they have bought a property within a four-month period, asked the question on whether they would be willing to recommend Hemnet to a friend or a colleague when they are planning to buy a property.

### **Recalculation**

In order to align the participants' and shareholders' interests, Hemnet will compensate for dividends and other value transfers to the shareholders during the Vesting Period by increasing the number of shares that each Performance Share Right entitles the participant to receive. The number of Performance Shares that each Performance Share Right may entitle to shall also be re-calculated in the event of a bonus issue, share split, reverse share split, and, if deemed reasonable and practicable by the board of directors, similar events impacting the number of shares in Hemnet Group AB (publ).

### **Hedging arrangements**

In order to implement the Performance Share Program 2024/2027 in a cost-efficient manner, the board of directors has considered different methods for securing delivery of shares to the participants. The board of directors has thereupon found that the most cost-efficient alternative would be, and thus proposes that the general meeting resolves upon, transfers, free of charge, of previously repurchased own shares to participants in the Performance Share Program 2024/2027. More detailed terms and conditions for the board of directors' main alternative are set out under item (B) below.

The board of directors has resolved not to propose that the annual general meeting resolves upon any authorization for the board of directors to resolve upon purchases of own shares in order to secure liquidity for payments of social security charges by reason of the Performance Share Program 2024/2027.

Should the majority required for the resolution to transfer the company's own shares not be reached, the board of directors proposes that Hemnet shall instead be able to enter into a share swap agreement with a third party, in accordance with item (C) below.

### **Dilution**

Neither of the hedging alternatives proposed by the board of directors (in accordance with what is set out under "Hedging arrangements" above as well as

under items (B) and (C) below) will give rise to any increases in the number of shares in the company and, accordingly, no dilutive effect will occur for existing shareholders by reason of the Performance Share Program 2024/2027.

#### **Other**

A decision on participation or implementation of the Performance Share Program 2024/2027 requires that the participation is legally possible and that the board of directors deems the participation or implementation possible with reasonable administrative costs and financial efforts.

The board of directors shall be responsible for the details and management of the Performance Share Program 2024/2027 within the framework of the main terms set out above, including to resolve on the final timeline for the Performance Share Program 2024/2027, and the board of directors shall be authorized to make the minor adjustments to these conditions as required by law or for administrative reasons. The board of directors shall also be authorized to adjust or deviate from the terms as required by local laws and regulations and existing market practices.

#### **B. The board of directors' proposal for transfers of the company's ordinary shares to participants in the Performance Share Program 2024/2027**

The board of directors proposes that the annual general meeting resolves that transfer of a maximum of 42,000 ordinary shares in Hemnet may be carried out in accordance with the conditions set out below. The ordinary shares have been purchased by Hemnet for the delivery of shares to participants in the Share Savings Program 2022/2025 and it has been concluded that 42,000 of these previously repurchased shares will not be utilized for delivery of shares to participants under the Share Savings Program 2022/2025.

The number of shares is calculated on the basis of maximum participation in the Performance Share Program 2024/2027, with a buffer for potential dividend compensation, and corresponds to approximately 0.04 percent of the total number of outstanding shares in the company as of the date of this proposal.

Ordinary shares in Hemnet may be transferred to participants in the Performance Share Program 2024/2027. Transfers of shares to the participants in the Performance Share Program 2024/2027 shall be made without consideration and shall be carried out at the time and subject to the conditions under which participants in the Performance Share Program 2024/2027 have the right to receive Performance Shares.

The number of ordinary shares in Hemnet that may be transferred under the Performance Share Program 2024/2027 may be subject to re-calculation in the event of a bonus issue, share split, reverse share split, preferential rights issue and similar events impacting the number of shares in Hemnet Group AB (publ).

### **C. The board of directors' proposal for a share swap agreement with a third party**

The board of directors proposes that the annual general meeting, in the event that necessary majority is not obtained for item (B) above, resolves to secure delivery of shares under the Performance Share Program 2024/2027 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 the company's shares to the participants in the Performance Share Program 2024/2027. The relevant number of shares in this context shall correspond to the number of shares proposed for in item (B) above.

#### **Costs for the Performance Share Program 2024/2027**

The costs for the Performance Share Program 2024/2027 will be accounted for in accordance with IFRS 2 – Share-based Payments and for expected social security costs in the profit and loss account distributed over the Vesting Period.

The calculation has been made based on the quoted closing price of shares in Hemnet as of 11 March 2024, i.e. SEK 324.40 per share, and the following assumptions: (i) dividends according to consensus estimates, (ii) an estimated annual turnover of personnel of 10 percent, (iii) an average fulfilment of the non-market related performance conditions of 50 percent, and (iv) a total maximum of 39,450 Performance Shares eligible for allotment. In addition to what is set forth above, the costs for the Performance Share Program 2024/2027 have been based on that the program comprises a maximum of 42 Participants and that each Participant makes a maximum investment.

In total, the costs for the Performance Share Program 2024/2027 according to IFRS 2 are estimated to approximately SEK 5.0 million excluding social security costs (SEK 6.5 million if the average fulfilment of the non-market related performance conditions is 100 per cent). The costs for social security charges are calculated to approximately SEK 2.4 million, based on the above assumptions, and also assuming an annual average positive TSR of 11.25 percent during the Performance Share Program 2024/2027 and a social security tax rate of 31.42 percent (SEK 3.1 million if the average fulfilment of the non-market related performance conditions is 100 percent).

The board of directors considers the positive effects expected to result from the Performance Share Program 2024/2027 to outweigh the costs attributable to the Performance Share Program 2024/2027.

#### **Effects on key ratios and dilution**

The group's net result for the last 12 months (January – December 2023) amounts to SEK 338.7 million. Assuming an equal distribution of costs over the Vesting Period, the annual cost of the Performance Share Program 2024/2027 of SEK 2.5



million, which corresponds to 0.6 percent of the net result for the last 12 month period.

Full allotment of Performance Shares, including the buffer for potential dividend compensation, would mean that the total number of shares under the Performance Share Program 2024/2027 amounts to no more than 42,000 ordinary shares, which corresponds to 0.04 percent of the number of outstanding shares in the company as of the date of this proposal.

#### **Existing incentive programs in Hemnet Group AB (publ)**

The company currently has three ongoing warrant programs (Warrant Program 2021/2024, Warrant Program 2022/2025 and Warrant Program 2023/2027) and a share saving program (Share Saving Program 2022/2025). The incentive programs are described in more detail in Hemnet's annual report for the financial year 2023 and in Hemnet's remuneration report for the financial year 2023.

#### **Preparation of the proposal**

The proposal has been prepared by the remuneration committee and the board of directors together with external advisors.

#### **Majority requirements**

The annual general meeting's resolution regarding the establishment of the Performance Share Program 2024/2027 in accordance with item (A) above is conditional upon that the annual general meeting resolves in accordance with the board of directors' proposal in item (B) above or, alternatively, if item (B) is not supported by the annual general meeting, in accordance with the board of directors' proposal in item (C) above.

The resolution in accordance with item (A) above requires a majority of more than half of the votes cast. In order for a resolution under item (B) to be valid, shareholders holding no less than nine tenths (9/10) of both the votes cast and the shares represented at the meeting must vote in favour of the proposal. A resolution in accordance with item (C) requires a majority of more than half of the votes cast.

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Stockholm, March 2024

Hemnet Group AB (publ)

The board of directors

## **Hemnet Group AB (publ) – Proposal by the board of directors for a resolution regarding authorization for the board of directors to resolve on purchases of the company's shares – item 21**

The board of directors proposes that the annual general meeting authorizes the board of directors to resolve on purchases of the company's ordinary shares, as follows.

The board of directors is authorized, during a period up until the annual general meeting 2025, to purchase ordinary shares in the company, on as many occasions as it deems appropriate, however, only to the extent that the company's holding at no time exceeds ten percent (10%) of the total amount of shares in the company. Purchases shall be made on Nasdaq Stockholm at a price per share within the prevailing price interval. The purpose of the authorization is to give the board of directors the possibility to adjust the capital structure of the company until the next annual general meeting, after which the board intends to propose that the annual general meeting of 2025 resolves to redeem the repurchased shares. Furthermore, the board of directors intends to propose that the same annual general meeting resolves upon a corresponding bonus issue of shares in order to restore the reduced share capital.

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A resolution will only be validly adopted if shareholders holding no less than two thirds (2/3) of both the votes cast and the shares represented at the meeting vote in favor of the proposal.

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Stockholm, March 2024

Hemnet Group AB (publ)

The board of directors