

THE BOARD'S PROPOSAL FOR RESOLUTION ON CALL OPTION PROGRAM 2021

The Board proposes that the Annual General Meeting adopts a call option program 2021 for the CEO and senior officers, executive management in the Divisions and employees at Alimak Group's headquarters. The call option program will be composed of a total of 45 participants in the Alimak Group.

The Annual General Meeting is proposed to authorise the Board to issue, until the next Annual General Meeting, call options for 525,000 shares maximum, corresponding to no more than 0.97 per cent of the total number of shares and votes. The right to acquire call options will be offered as follows:

- CEO: a maximum of 55,000 call options.
- Senior officers: 9 persons with a maximum of 25,000 call options per person.
- Executive management in the Divisions and employees at Alimak Group's headquarters: 35 persons with a maximum of 7,000 call options per person.

The call option program does not involve any dilution for existing shareholders as it is based on call options in respect of shares already issued in the Company.

Until the next Annual General Meeting, the above participants will thus be given the opportunity to acquire call options for a maximum of 525,000 shares. The terms of the call options will be based on market terms following established models at the time of issue. The option premium will be ten (10) per cent of the recorded volume weighted average share price during ten (10) days prior to the date of issue. The call options will have maximum four (4) years maturity from the date of issue and the subscription period will be 20 May 2025 – 20 June 2025. The exercise price per share will be determined by an independent valuer when the call option program is established which. The valuation will be performed using the Black & Scholes model.

At the time of the notice, Alimak Group owns 297,111 repurchased shares, of which 5,100 refer to previous years' share savings program. This means, if this year's program is fully subscribed, Alimak Group needs to buy back 232,989 shares in order to ensure delivery for this year's program. Notwithstanding participation in the call option program, and due to no new shares being issued, Alimak Group's share capital remains unchanged.

The purpose of the Board's proposal is that the call option program is expected to contribute to higher motivation and long-term commitment among the employees as well as strengthen the ties between the employees and the company. Furthermore, the Board assesses that the call option program will contribute to recruit and retain qualified and experienced employees. It is the Board's assessment that the call option program will benefit both the employees and the company's shareholders through increased share value.

The proposal is a part of creating a long-term incentive for important employees. The proposal is considered to be of reasonable scope for employees and Alimak Group's shareholders. It is the intention of the Board to return to similar propositions at coming Annual General Meetings. Since the program is based on market terms and since it entails a financial risk for the senior officers it does not generate social security costs. Alimak Group will only have limited costs relating to advisors and administration of the call option program.

In order to ensure delivery of shares under the call option program it is proposed, by item 16 c on the agenda, that the Board shall have the right to transfer a maximum of 525,000 repurchased shares to the participants in the call option program. Should that proposal not be supported by the required majority, it is proposed that the Board shall be entitled to enter into so-called share swap agreements with third parties in order to fulfil the obligations under the call option program.

Alimak Group has two outstanding incentive programs (LTI 2018-2019) in the form of performance-based share saving programs offered to senior executives and key employees within the Alimak Group. The aforementioned programs require an investment in Alimak Group's shares and that these shares are retained for a vesting period of three (3) years. Following the vesting period, the participants will be allotted shares in Alimak Group free of charge provided that certain conditions, such as continued employment and certain financial targets, have been met. For more information regarding these outstanding incentive programs, please see Alimak Group's Annual Report for 2020.

The call option program has been prepared by the Remuneration Committee and was discussed at the Board meeting in February and March 2021.

Stockholm in March 2021
Alimak Group AB (publ)
The Board of Directors