



Notice of extraordinary general meeting of shareholders in Catella AB (publ)

An extraordinary general meeting of shareholders in Catella AB (publ) (the “Company”) will take place Monday, 21 December 2020.

By reason of the transmission of the coronavirus, the board of directors has decided that the extraordinary general meeting (EGM) will be held without the physical presence of shareholders, proxies and outside parties and that shareholders will be able to exercise their voting rights only by post ahead of the meeting. Information concerning the decisions taken by the EGM will be published on 21 December 2020 after the final outcome of postal voting has been tabulated.

Right to participate in the meeting

Shareholders who wish to participate in the meeting by means of postal voting must:

- Be recorded in the share register maintained by Euroclear Sweden AB on the record date, Friday, 11 December 2020, and
- Register to participate by casting their postal vote as instructed under the heading “Postal voting” below no later than Friday, 18 December 2020, so that the postal vote is received by Euroclear Sweden AB no later than Friday, 18 December 2020. Note that registration to participate in the EGM is only possible by means of postal voting.

To be entitled to participate in the EGM, shareholders with nominee-registered shares must, in addition to registering to participate in the meeting, register their shares in their own name so that the shareholder is entered in the share register by 11 December 2020. Such registration may be temporary (“voting rights registration”) and requested from the nominee in accordance with the nominee’s procedures in such time in advance as determined by the nominee. Voting rights registrations made by the nominee no later than the second banking day after 11 December 2020 will be included in the presentation of the share register.

Postal voting

The board of directors has decided that shareholders will be able to exercise their voting rights *only* through postal voting pursuant to section 22 of the Swedish Act on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations (2020:198). A special Postal Voting Form must be used. The Postal Voting Form is available on the Company’s website at www.catella.se. The completed and signed Postal Voting Form must be received by Euroclear Sweden AB (which is administering the forms on the Company’s behalf) no later than Friday, 18 December 2020. The completed and signed form may be posted to Catella AB (publ), c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden. The form may also be submitted digitally. Digital submission can be made either through signature using BankID as instructed on <https://anmalan.vpc.se/euroclearproxy> or by sending the completed form by email to GeneralMeetingServices@euroclear.com. Shareholders cannot modify postal votes with special instructions or conditions. Any postal votes containing such modifications will be invalid. Further instructions and conditions are provided on the Postal Voting Form.

Catella is a leading specialist in property investments and fund management, with operations in 14 countries. The Group has assets under management of approximately SEK 140 billion. Catella is listed on Nasdaq Stockholm in the Mid Cap segment. Read more online at catella.com.

PRESS RELEASE

Stockholm, 19 November 2020



Proxy

If a shareholder exercises their voting rights by post, a written and dated proxy form signed by the shareholder must be appended to the Postal Voting Form. Proxy forms are available on the Company's website at www.catella.se. If the shareholder is a legal person, a copy of a registration certificate or comparable document granting authority must be appended to the form.



Proposed agenda

1. Election of the chairman of the meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Election of two persons to verify the minutes
5. Determination of whether the EGM was duly convened
6. Resolution to establish an incentive programme through the issue of warrants in Series 2020/2024:A and Series 2020/2025:B
7. Resolution to establish an incentive programme in the subsidiary APAM Ltd through the issue of Growth Shares
8. Resolution to reduce the statutory reserve for allocation to non-restricted equity
9. Resolution to amend the Articles of Association

Item 1. Election of the chairman of the meeting

The board of directors of the Company has proposed the appointment of Jan Roxendal, chairman of the board, or another individual appointed by the board if Roxendal is unable to serve, as chairman of the general meeting.

Item 2. Preparation and approval of the voting list

The voting list proposed for approval under Item 2 on the agenda is the voting list prepared at the Company's request by Euroclear Sweden AB, based on the shareholder register for the general meeting and postal votes received. The voting list will be checked by the verifiers.

Item 4. Election of two persons to verify the minutes

Thomas Andersson Borstam and Anders Ek, or another individual or individuals appointed by the board if either or both of them are unable to serve, have been proposed as verifiers of the minutes. The verifiers' remit includes checking the voting list and verifying that postal votes received are accurately reflected in the minutes of the meeting.

Item 6. Resolution to establish an incentive programme through the issue of warrants in Series 2020/2024:A and Series 2020/2025:B

The board of directors of the Company proposes that the EGM resolve to establish an incentive programme through the issue of warrants by the Company and to approve the transfer of the warrants to current and future senior management personnel and other key individuals under the following terms and conditions.

The issue of warrants, with waiver of shareholders' pre-emption rights, will be directed to the Company's indirectly wholly owned subsidiary Aveca AB (the "Subsidiary"), reg. no. 556646-6313. The right to subscribe for warrants accrues to the Subsidiary and gives the Subsidiary the right and obligation to offer current and future senior management personnel and other key individuals the opportunity to acquire the warrants in exchange for consideration under the following terms and conditions.

The reason for the waiver of shareholders' pre-emption rights is that the warrants constitute an incentive programme for individuals who are employed, now or in the future, in senior

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management positions and other key positions at the Company or its subsidiary. In the judgement of the board of directors, the incentive programme promotes the long-term financial interests of the Company because, through personal investment, senior management personnel and key individuals within the Catella Group will benefit from and endeavour to achieve long-term and positive appreciation in the value of the company's share.

A. Issue of warrants

1. Number of warrants

The Company will issue a maximum total of 3,000,000 warrants, distributed between two series: Series 2020/2024:A, comprising a total of 1,500,000 warrants and Series 2020/2025:B, comprising a total of 1,500,000 warrants.

2. Subscription rights

The right to subscribe for warrants, with waiver of shareholders' pre-emption rights, accrues to the Subsidiary along with the right and obligation for the Subsidiary to transfer the warrants in accordance with *Item B* below.

3. Issue price

The warrants will be issued to the Subsidiary in exchange for no monetary consideration.

4. Subscription

Subscription for the warrants by the Subsidiary shall take place during the period beginning 21 December 2020 and ending 10 January 2021, dates inclusive. The board of directors shall, however, have the right to extend the subscription period.

5. Exercise period for warrants

Each warrant carries the right for the holder to subscribe for one (1) new Class B share in the Company.

The warrants may be exercised for the subscription of new shares during the following periods: warrants in Series 2020/2024:A from 1 June 2024 to 15 June 2024, dates inclusive; warrants in Series 2020/2025:B from 1 June 2025 to 15 June 2025, dates inclusive.

6. Subscription price

For Series A and Series B warrants, the subscription price per share upon exercise shall be equal to 120 percent of the volume-weighted average price of the Catella (Class B) share on Nasdaq Stockholm during a period of 10 trading days from the day after the board of directors of the Company extends the offer to acquire warrants to senior management personnel and other key individuals within the Catella Group who are eligible to participate in the warrant programme. The subscription price for the new shares shall not be lower than the current quotient value of the shares.

7. Increase of share capital

Upon full subscription and exercise of all 3,000,000 warrants, the Company's share capital could increase by no more than SEK 6,000,000 if the price is not recalculated as provided for under the complete terms and conditions of the warrant programme. This corresponds to dilution of approximately 3.4 percent of current share capital.

8. Right to dividends

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The shares issued upon exercise of the warrants carry the right to distribution of profits for the first time on the first dividend record date after the new subscription has been registered with the Swedish Company Registration Office (*Bolagsverket*) and the shares have been recorded in the share register kept by Euroclear Sweden AB.

9. Complete terms and conditions of the warrants

As set forth in the complete terms and conditions of the warrant programme, the subscription price and the number of shares to which each warrant entitles the holder to subscribe for may be recalculated for reasons including shares issued with pre-emption rights and bonus issues.

B. Approval of transfer of warrants to the Company's current CFO, future CEO, future senior management personnel and other key individuals

The board of directors proposes that the EGM resolve to permit the Subsidiary to transfer a maximum of 500,000 warrants, distributed between the following series: 250,000 warrants in Series 2020/2024:A and 250,000 warrants in Series 2020/2025:B to the Company's current CFO. It is furthermore proposed that the EGM approve the further transfer of the remaining 2,500,000 warrants, i.e., 1,250,000 warrants in Series 2020/2024:A and 1,250,000 warrants in Series 2020/2025:B, as instructed by the board of directors of the Company, to the future CEO of the Company, future senior management personnel and other key individuals.

The warrants shall be transferred on market terms at a price determined by an external valuer based on an estimated market value for the warrants at the date of transfer derived using the Black & Scholes valuation model.

The grant is conditional upon the legality of the transfer of warrants and the assessment by the board of directors that the transfer can be executed with reasonable administrative and financial commitments.

C. Other

The board of directors or the person designated by the board of directors shall have the right to effect the minor adjustments that may prove necessary in relation to registration of the decision with Bolagsverket or Euroclear Sweden AB.

The resolution by the EGM shall be valid only if supported by shareholders representing at least nine-tenths of votes cast and nine-tenths of shares represented at the general meeting.

Considering that the warrants shall be transferred at an estimated market price, it has been assessed that the incentive programme covering warrants in Series 2020/2024:A and Series 2020/2025:B will not, in and of themselves, entail any costs beyond certain minor costs for programme establishment and administration.

The proposal has been prepared by the board of directors of the Company and was dealt with at board meetings in the autumn of 2020. The Company has no outstanding share-related incentive programmes.



Item 7. Resolution to establish an incentive programme in the subsidiary APAM Ltd through the issue of Growth Shares

The board of directors of the Company proposes that the EGM resolve to establish an incentive programme in the subsidiary APAM Ltd (the “Subsidiary”), reg. no. 07671308, through the issue of Growth Shares under the following terms and conditions.

The Company acquired 75 percent of the shares in the Subsidiary in 2018. The Subsidiary has historically had incentive programmes for employees of the Subsidiary consisting of Growth Shares. Compensation to employees of the Subsidiary has consisted of fixed salary, variable pay and Growth Shares, which has, in total, been competitive for recruiting the right skills to the Subsidiary. Since the acquisition of the Subsidiary, salaries have remained at the previous level in order to be adjusted for payment combined with compensation under an incentive programme.

Description of the incentive programme

Participants in the programme have the right to subscribe for a maximum of 1,000 Growth Shares in the Subsidiary. Holders of Growth Shares will have the right to a specified percentage of any future growth in the value of the Subsidiary’s shares, measured from the date the Growth Shares are issued until the date the shares are actually sold/redeemed. The incentive programme is intended to encourage and motivate personnel who hold Growth Shares to work long-term to increase the value of the Subsidiary to the benefit of all shareholders, including themselves.

Upon sale of Growth Shares, holders are treated as if they have realised a capital gain and pay tax, in accordance with current rules, of up to 20 percent on the amount paid by the Subsidiary for the Growth Shares, rather than up to 45 percent for variable pay/cash bonus. This also involves a savings for the Subsidiary, in that the Subsidiary is not required to pay National Insurance Contributions corresponding to approximately 13.8 percent of the amount.

Right to participate in the programme

The right to participate in the incentive programme shall accrue to the current executive team of the Subsidiary, excluding the Managing Director, and other key individuals, employees who are promoted and future employees.

Term of the incentive programme

The incentive programme will be formalised upon the date the programme is approved by the EGM of shareholders in Catella AB (publ) and will end in December 2025. Approval by the shareholders in Catella AB (publ) is the only condition that must be met for this incentive programme to be established.

Rights associated with Growth Shares

Growth Shares do not carry share voting rights, share transfer rights, or dividend rights. If a holder of Growth Shares ends his or her employment with the Subsidiary or otherwise leaves the Subsidiary, the board of directors of the Subsidiary shall determine whether the separation is a “Good Leaver” or “Bad Leaver” situation.

Entry valuation level

The holder’s potential return/income from the Growth Shares will be based on the growth in value from the date shares are allotted until the date shares are redeemed, dates inclusive. The initial entry valuation level will be based on the Company’s acquisition price of the Subsidiary.



Redemption valuation level

The valuation on the redemption date will be based on the Subsidiary's average Adjusted EBIT for the preceding two years multiplied by eight (8). The Growth Shares are entitled to 10 percent of the growth in value between the entry date and redemption date.

The Subsidiary's Adjusted EBIT will be calculated based on operating profit adjusted for performance-based income and/or other adjustments to correct non-recurring or unrelated financial items. As an example, this might include both increases and decreases in profits consequent upon the parent company's accounting requirements or other bookkeeping items unrelated to the company's employee-based profit or loss. The final valuation will be determined by holders of ordinary shares in the Subsidiary, a majority of which are owned by Catella AB (publ) via subsidiaries.

Dilution and estimated cost of the incentive programme

Costs arise when the value of the Subsidiary increases and shareholder value has been created. The cost of the incentive programme has been estimated at less than EUR one million.

The incentive programme is non-dilutive because the Growth Shares issued will be repurchased by the Subsidiary at the end of the programme.

Reasoned statement of the board of directors

In the judgement of the board of directors of Catella AB (publ), the incentive programme described above will benefit both employees of the Subsidiary and shareholders in Catella AB (publ) because holders of Growth Shares will be motivated to work in line with the interests of other shareholders and that costs will arise only when shareholder value has been created.



Item 8. Resolution to reduce the statutory reserve for allocation to non-restricted equity

Catella AB (publ), the parent company of the Catella Group, has relatively high restricted equity in relation to total equity, which has historically made it more difficult for the Company to execute value transfers by distributing dividends. In order to facilitate future value transfers to shareholders in the parent company, the board of directors of Catella AB (publ) proposes a reduction of the statutory reserve for allocation to non-restricted equity. The board of directors proposes to reduce the statutory reserve by SEK 249,891,072. In the judgement of the board of directors, the proposal does not entail any risk of harm to creditors.

Item 9. Resolution to amend the Articles of Association

The board of directors proposes a number of minor amendments to the Articles of Association in the following sections: *§1 Name*, *§5 Dematerialised Shares* and *§10 Shareholder Entitlement to Participate at General Meetings* intended to align these sections to current law and the titles of Swedish legal acts. The Board also proposes amendment of *§7 Board of Directors* to exclude the election of alternate directors. The board further proposes the striking out of *§11 Presence of Outside Parties at General Meetings* and the insertion of wording permitting the board of directors to decide to allow postal voting ahead of general meetings in *§12 Proxy Solicitation* (which will become the new §11 consequent upon the striking out of §11 as currently worded). The board therefore proposes that the EGM resolves to amend the wording of §§ 1, 5, 7, 10 and 11 of the Company's Articles of Association as follows:

§1 Name

The company's business name is Catella AB. The company is a public company (publ).

§5 Dematerialised Shares

The company's shares shall be registered in a digital (dematerialised) share register as required under the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (SFS 1998:1479).

§7 Board of directors

The board of directors shall comprise no fewer than four and no more than ten directors.

§10 Shareholder Entitlement to Participate at General Meetings

Shareholders who wish to participate in the proceedings at a general meeting shall notify the company of their participation by the date stated in the notice to attend the meeting. The last-mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve, and may not occur earlier than five weekdays prior to the meeting.

Shareholders or proxies may be accompanied at a general meeting by no more than two assistants, provided the shareholder has notified the company of the number of assistants in the manner stated in the preceding paragraph.

§11 Proxy Solicitation and Postal Voting

The board of directors may solicit proxies in accordance with the procedure set forth in Chapter 7, section 4, second paragraph of the Swedish Companies Act.

The board of directors may decide before a general meeting that shareholders will be permitted to exercise their voting rights by post ahead of the general meeting.



The resolution by the EGM shall be valid only if supported by shareholders representing at least two-thirds of votes cast and two-thirds of the shares represented at the general meeting.

Available documentation

Documentation for the EGM will be available no later than 30 November 2020 at the Company's offices and on the Company's website at www.catella.com. Shareholders may order the documentation in print form, free of charge, by telephone on +46 8 463 34 26 or by email to bolagsstamma@catella.se. The general meeting share register will be available at the Company's head office, Birger Jarlsgatan 6, 114 34 Stockholm, Sweden.

Right to request information

In accordance with Chapter 7, Sections 32 of the Swedish Companies Act (2005:551), shareholders have the right to request information from the board of directors and the chief executive officer regarding circumstances that may influence their evaluation of an item on the agenda. Such requests for information shall be made in writing to the Company no later than ten days before the Extraordinary General Meeting, i.e., by Friday, 11 December 2020, and sent by postal letter to Catella AB (publ), Attn: Investor Relations, Catella AB, Box 5894, 102 40 Stockholm, Sweden or by email to bolagsstamma@catella.se. The information will be available on the Company's website at www.catella.com and at the Company's head office, Birger Jarlsgatan 6, 114 34 Stockholm, Sweden, no later than Wednesday, 16 December 2020. The information will also be sent to shareholders who requested the information and furnished their addresses.

Number of shares and votes

As of the date this notice was issued, the total number of shares in the Company was 88,348,572 and the total number of votes was 98,470,792, of which 2,530,555 ordinary shares in Class A (carrying a total of 12,652,775 votes) and 85,818,017 ordinary shares in Class B (carrying a total of 85,818,017 votes).

Personal data processing

For information about how your personal data is processed, see Catella's website: www.catella.com

Stockholm, November 2020

THE BOARD OF DIRECTORS

For further information, please contact:

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