



Remuneration report MEKO AB 2025

Introduction

This report describes how the guidelines for remuneration of senior executives for MEKO AB, adopted by the 2023 Annual General Meeting, were applied in 2025. The report also contains information on remuneration of the President and CEO, and a summary of MEKO's outstanding share-based incentive programs (LTIP 2023, LTIP 2024 and LTIP 2025). The report was prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on remuneration of senior executives and incentive programs.

Further information on remuneration of senior executives is found in Note 5 (Average number of employees, salaries, other remuneration and social security contributions) on pages 93–95 of the 2025 Annual Report. Information on the Remuneration Committee's work in 2025 is found in the Corporate Governance Report on pages 33–41 of the 2025 Annual Report. Board fees are not covered by this report. Such fees are approved annually by the Annual General Meeting; see the minutes of the Annual General Meeting on 15 May 2025 and a summary in the 2025 Annual Report.

No remuneration other than ordinary Board fees was paid to Board members.

Significant development in 2025

The CEO summarizes the company's overall performance in his CEO's comments on pages 8–9 in the 2025 Annual Report.

MEKO's remuneration guidelines: area of application, purpose and deviations

MEKO's overall strategy is to grow with good profitability. MEKO's vision: to enable mobility – today, tomorrow and in the future. The strategy builds on the four focus areas of better core business, better workshops, better mobility and sustainable growth.

Sustainability is an important part of the Group's strategy. The goal is to take the lead in our industry by being able to manage new technology, new competition, new behaviors and new expectations of us. For more information on MEKO's strategy, visit www.meko.com.

A successful implementation of the strategy and the safeguarding of the company's long-term interests presupposes that the Group can recruit and retain qualified employees with the right expertise. Remuneration must therefore be competitive and market-based.

The purpose of the remuneration guidelines is to enable such remuneration, but also to link total remuneration to the company's strategy and long-term interests, including its sustainability. This is performed by setting targets in short-term variable salary programs and in a long-term share-based program.

A summary of the guidelines is in the 2025 Annual Report and the complete guidelines are in the minutes of the Annual General Meeting on 23 May 2023. The remuneration guidelines adopted unanimously by the 2023 Annual General Meeting were fully implemented.

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 remuneration. The Auditor's opinion on the company's compliance with the guidelines is available at: www.meko.com/corporate-governance/. No remuneration was demanded back.

In addition to the remuneration covered by the remuneration guidelines, the company's 2023, 2024 and 2025 Annual General Meetings resolved to introduce three long-term share-based incentive programs (LTIP 2023, LTIP 2024 and LTIP 2025). LTIP 2022 was concluded in 2025; see under the heading LTIP 2022 in this report.

Table 1 Total remuneration to the President and CEO during 2025 and 2024 (SEK '000s)

Name of senior executive, position	Financial year	Fixed remuneration		Variable remuneration				Total remuneration	Proportion of variable remuneration in relation to total remuneration
		Basic salary incl. 0.8% holiday pay	Other benefits*	One-year variable/STI 2025	Multianual variable, (LTIP 2022, LTIP 2023, LTIP 2024, LTIP 2025)**	Extraordinary items	Pension expenses***		
President and CEO Pehr Oscarson	2025	7,260	7	1,356	625	0	2153	11,401	17%
	2024	6,919	6	2,758	0	12	2071	11,766	23%

* Refers to health insurance

** Excludes MEKO's costs for LTIP 2022–2025

*** 30 percent of basic salary



Share-based long-term remuneration

Outstanding share-based and share-price-based incentive programs

The company has introduced three share-savings programs (LTIP 2023, LTIP 2024 and LTIP 2025) for the President and CEO, the Group Management Team and a number of key employees, according to the resolutions of the 2023, 2024 and 2025 Annual General Meetings. The LTIP 2023 and LTIP 2024 programs require participating employees to make their own investments in shares in MEKO AB (savings shares). The employees can then be allocated the equivalent of one matching share right and four performance share rights per savings share (a total of five share awards). The LTIP 2025 program does not require savings shares. However, the employees must retain allocated shares for at least 12 months following receipt of the shares. Depending on the personnel category to which the participant belongs, the maximum number of performance shares that can be awarded varies from 5,000 to 30,000 performance shares.

The President and CEO invested in 5,000 savings shares in the LTIP 2023 program, 5,000 savings shares in the LTIP 2024 program and the CEO has a maximum potential allocation of 30,000 shares in the LTIP 2025 program. The programs are still in the vesting period.

Matching share rights and performance share rights can be allocated free of charge and are conditional on employees still owning the savings shares (applies to LTIP 2023 and 2024), three-year vesting periods and continued employment. In 2025, LTIP 2022 was concluded and is no longer in the vesting period. (Outcome is described below.)

LTIP 2022

LTIP 2022 was concluded in May 2025. The outcome was one (1) matching share (Class A) allocated to participants per savings share. The dividend compensation factor was +9.06 percent, meaning one matching share instead yielded 1.09 shares. Conditions for the allocations were that the total shareholder return (TSR) on MEKO's stock exceeded 0 percent during the period April 1, 2022–March 31, 2025, which was fulfilled. No performance shares (Class B) were allocated as the performance conditions were not met. Allocation would have required that certain target levels be achieved regarding reduced net debt/EBITDA and growth in adjusted EBIT (reported EBIT adjusted for non-recurring items) for the 2022–2024 financial years.

LTIP 2023

Matching share rights (Class A) require a TSR on MEKO's share that exceeds 0 percent during the period April 1, 2023–March 31, 2026.

The vesting of performance share rights (Class B) requires that certain target levels have been achieved regarding reduced net debt/EBITDA (excluding IFRS 16) and growth in adjusted EBIT (reported EBIT adjusted for non-recurring items and amortization of goodwill in

MEKO AB) for the 2023–2025 financial years.

The Board has set a minimum level and a maximum level for the respective performance targets. If the degree of fulfillment is between the minimum and maximum levels, the outcome will be measured on a straight-line basis. MEKO intends to present the target levels and the extent to which they have been met after the program has been concluded.

LTIP 2024

Matching share rights (Class A) require a TSR on MEKO's share that exceeds 0 percent during the period April 1, 2024–March 31, 2027.

The vesting of performance share rights (Class B) requires the achievement of certain target levels regarding adjusted EBIT and growth in earnings per share (EPS) for the 2024–2026 financial years.

The Board has set a minimum level and a maximum level for the respective performance targets. 0 percent allocation is made at or below minimum levels. 100 percent allocation occurs if fulfillment is at or above the maximum levels. If the degree of fulfillment is between the minimum and maximum levels, the outcome will be measured on a straight-line basis. The outcome of each performance target will be determined individually. Furthermore, allocation may be based on the achievement of individual financial year targets. MEKO intends to present the target levels and the extent to which they have been met after the program has been concluded.

LTIP 2025

Depending on the personnel category to which the participant belongs, the maximum number of shares that can be awarded varies from 5,000 to 30,000 performance shares. The CEO has a potential maximum allocation of 30,000 performance shares. At 100 percent outcome, allocation consists of 1/3 Class A, 1/3 Class B and 1/3 Class C shares. Vesting of Class A shares requires a TSR of 12.5 percent or more. The opening rate for TSR is set based on the 20 trading days following the publication of the Q4 2024 interim report. The closing rate is set based on the 20 trading days following the publication of the Q4 2027 interim report. The vesting of Class B shares requires the achievement of certain target levels regarding adjusted EBIT for the 2025–2027 financial years. The vesting of Class C shares requires the achievement of certain target levels regarding earnings per share (EPS) for the 2025–2027 financial years.

The Board has set a minimum level and a maximum level for the respective performance targets. If the degree of fulfillment is between the minimum and maximum levels, the outcome will be measured on a straight-line basis. The outcome of each performance target will be determined individually. Furthermore, allocation can be based on the achievement of individual financial year targets for Class B and Class C shares.

MEKO intends to present the target levels and the extent to which they have been met after the program has been concluded.

Table 2 Remuneration of the President in shares

Name of executive	Specification of the program	Main conditions for bonus and incentive programs				End of the lock-in period savings shares	Information regarding financial years				
		Performance period	Date of allocation	Date of vesting	Opening balance		During the year		Closing balance		
					Share rights at the beginning of the year		Allocated shares*	Vested shares	Shares subject to performance conditions	Allocated shares not vested at the end of the year	Shares subject to lock-in period
President and CEO Pehr Oscarson	LTIP 2022/2024	Jan 1, 2022–Mar 31, 2025	Jun 30, 2022	Mar 31, 2025	May 31, 2025	25,000	0	5,453	0	0	0
	LTIP 2023/2025	Jan 1, 2023–Mar 31, 2026	Jun 30, 2023	Mar 31, 2026	May 31, 2026	25,000	0	–	25,000	25,000	0
	LTIP 2024/2026	Jan 1, 2024–Mar 31, 2027	Jun 30, 2024	Mar 31, 2027	May 31, 2027	25,000	0	–	25,000	25,000	0
	LTIP 2025/2027	Jan 1, 2025–Mar 31, 2028	Jun 30, 2025	Mar 31, 2028	n/a	0	30,000	–	30,000	30,000	0
						75,000	30,000	5,453	80,000	80,000	0

*The value of the shares on Dec 31, 2025 was SEK 2,187,000.

Short-term incentive program (STI) – Application of performance criteria

The performance criteria for the President and CEO's short-term variable remuneration (STI) were chosen to encourage action that is in the company's long-term interest. STI is linked to measurable criteria that are in line with MEKO's business and sustainability strategy. The criteria are determined annually by the Remuneration Committee and approved by the whole Board.

The measurement period is one year. The extent to which the criteria have been met is evaluated and determined by the Remuneration Committee, and approved by the whole Board at the end of the measurement period.

There is a ceiling for the short-term variable remuneration of 60 percent of the fixed annual basic salary, in line with the remuneration guidelines.

Table 3 Variable short-term remuneration 2025 (SEK '000)

Name of senior executive, position	Description of criteria attributable to the remuneration component	Short-term incentive program 2025 (STI 2025)	
		Relative weighting of performance criteria	a) Measured performance (max 140%) b) Actual allocation/remuneration outcome
President and CEO Pehr Oscarson	Consolidated net sales	30%	a) 0% b) 0
	Consolidated adjusted EBIT	40%	a) 0% b) 0
	Working capital	10%	a) 123% b) 516
	Sustainability-related key performance targets	20%	a) 100% b) 840
	Total	100%	1,356

Comparative information regarding changes in remuneration and MEKO's earnings

Table 4 Changes in remuneration and the company's earnings during the most recent reported financial years (%) (SEK)

Annual change in basic salary of the President and CEO	2021	2022	2023	2024	2025	Average annual basic salary 2025
President and CEO Pehr Oscarson	5.0%	5.0%	5.4%	5.9%	5.5%	7,090
Company's earnings						
Sales	7%	14%	19%	8%	-0%	18,014,105
EBIT	21%	-15%	15%	3%	-45%	500,205
EBIT margin	7.1%	5.3%	5.0%	4.9%	2.7%	
Net debt/EBITDA (excl. IFRS 16)	1.9	3.4	2.6	2.1	4.0	
Average remuneration based on equivalent full-time						
Relevant Swedish companies in the MEKO Group*	0%	2.1%	3.0%	3.5%	3.3%	751

* Employees in the companies MEKO AB, MEKO Services AB and MEKO Sweden AB used as reference.

