



Press release, 6 April 2021

Notice of annual general meeting of BHG Group

The shareholders of BHG Group AB (publ) are summoned to the annual general meeting, to be held on Wednesday, 5 May 2021. In light of the corona virus, the meeting is conducted through advance voting pursuant to temporary regulations. Therefore, it will not be possible to attend the meeting in person or by proxy.

Participation, etc.

In order to participate in the meeting, shareholders must be entered in the register of shareholders maintained by Euroclear Sweden AB by Tuesday, 27 April 2021 and must announce their intention to attend the meeting no later than Tuesday, 4 May 2021 by casting their advance vote in accordance with the instructions under the heading "Advance voting" below so that the company has received the advance vote no later than on that date.

In order to be entitled to participate in the meeting, shareholders whose shares are registered in the name of a nominee must, in addition to announcing their intention to participate in the meeting, request that their shares be registered in their own name so that the shareholder is recorded in the register of shareholders as of 27 April 2021. Such registration may be temporary (so-called voting rights registration) and request for such registration shall be made to the nominee in accordance with the nominee's routines at such time in advance as prescribed by the nominee. Voting rights registrations that have been made no later than the second banking day after 27 April 2021 will be taken into account when preparing the share register.

Advance voting

The shareholders may exercise their voting rights at the meeting only by voting in advance, so called postal voting in accordance with Section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. A special form shall be used for advance voting. The form is available at www.wearebhg.com. The advance voting form is considered as the notification of participation at the meeting. The completed voting form must be received by company no later than Tuesday, 4 May 2021. The completed form shall be sent to BHG Group AB (publ), Attn: Annual general meeting 2021, Hans Michelsensgatan 9, SE-211 20 Malmö, Sweden. The completed form may, alternatively, be submitted electronically to investment@bhggroup.se. If the shareholder votes in advance by proxy, a power of attorney shall be enclosed with the form. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

There are a total of 120,928,437 shares in the company, corresponding to an equal amount of outstanding votes. The company holds no treasury shares.

A recorded presentation from Adam Schatz, President and CEO, will be published on the company's website after the meeting.

Proposed agenda

1. Election of chairman of the meeting.
2. Election of one or two persons to approve the minutes of the meeting.
3. Preparation and approval of the voting list.

4. Determination of whether the meeting has been duly convened.
5. Approval of the agenda.
6. Presentation of the annual report and the auditor's report as well as the consolidated annual accounts and the auditor's report for the group.
7. Resolutions regarding
 - a) the adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet,
 - b) allocation of the company's results in accordance with the adopted balance sheet, and
 - c) discharge of the members of the board of directors and the managing director from liability.
8. Determination of the number of members of the board of directors and auditors.
9. Determination of remuneration for members of the board of directors and auditor.
10. Election of members of the board of directors, chairman of the board of directors and auditor.
 - a) Re-election of Christian Bubenheim as member of the board.
 - b) Re-election of Gustaf Öhrn as member of the board.
 - c) Re-election of Johan Giléus as member of the board.
 - d) Re-election of Niklas Ringby as member of the board.
 - e) Election of Camilla Giesecke as new member of the board.
 - f) Election of Mariette Kristensson as new member of the board.
 - g) Re-election of Gustaf Öhrn as chairman of the board.
 - h) Re-election of Öhrlings PricewaterhouseCoopers AB as auditor.
11. Resolution regarding the nomination committee.
12. Presentation of the board of directors' remuneration report for approval.
13. The board of directors' proposal regarding guidelines for remuneration to senior executives.
14. The board of directors' proposal regarding authorisation for the board of directors to resolve on new share issue.
15. The board of directors' proposal regarding implementation of a new long-term incentive program.

Persons to approve the minutes (item 2)

Mikael Aru and Erik Hensfelt or, to the extent both or any of them are prevented, the person or persons assigned by the board, are proposed as persons to approve the minutes. The assignment for the persons to approve the minutes includes verifying the voting list and confirming that advance votes received are correctly reflected in the minutes of the meeting.

Voting list (item 3)

The voting list proposed for approval under item 3 on the agenda is the voting list prepared by the company, based on the shareholders' register and advance votes received, and verified by the persons elected to verify the minutes.

Allocation of the company's results (item 7b)

The board of directors proposes that no dividend shall be paid, and that the company's result shall be carried forward.

The nomination committee's proposals (items 1 and 8-11)

The nomination committee, composed of Fredrik Åtting (EQT, chairman), Ulrik Grönvall (Swedbank Robur Fonder), Sussi Kvart (Handelsbanken Fonder) and Gustaf Öhrn (chairman of the board of directors), proposes the following:

- Attorney-at-law Erik Sjöman shall be appointed chairman of the annual general meeting, or if he is prevented from doing so, the person that the board appoints instead.
- The board of directors shall consist of six members with no deputies.
- The remuneration to the board of directors shall amount to SEK 1,900,000 (1,750,000) in total, in accordance with the following. SEK 500,000 (400,000) shall be distributed to the chairman of the board and SEK 250,000 (200,000) to each of the other board members not employed by the company. In addition, SEK 100,000 (100,000) shall be distributed to the chairman of the audit committee and SEK 50,000 (50,000) to the chairman of the remuneration committee.
- Re-election of Christian Bubenheim, Gustaf Öhrn, Johan Giléus and Niklas Ringby as members of the board of directors and election of Camilla Giesecke and Mariette Kristensson as new members of the board of directors. Bert Larsson and Ingrid Jonasson Blank have declined re-election.
- Re-election of Gustaf Öhrn as chairman of the board.
- The company shall have one auditor with no deputies.
- Remuneration to the auditor shall be paid in accordance with approved invoices within the auditor's quotation.
- Re-election of the audit company Öhrlings PricewaterhouseCoopers AB. The proposal is in accordance with the audit committee's recommendation.

Camilla Giesecke, born 1980, resident in Sweden and Swedish citizen, holds a Master of Science in Economics and Business Administration from Stockholm School of Economics. Throughout most of her career Camilla Giesecke has held key positions within finance and M&A, such as Analyst at JP Morgan (2005-2006), Investment Professional at Investor AB (2006-2013), Director, M&A at Saab AB (2014-2015), Vice President, Head of M&A at Permobil AB (2015-2016), Vice President, Head of Finance EMEA at Permobil AB (2016-2017), Chief Financial Officer at Klarna Bank AB (2017-2021). Since March 2021 she serves as Chief Expansion Officer at Klarna Bank AB and holds a non-executive position at Nordic Corporate Bank ASA. Camilla Giesecke does not own any shares in BHG.

Mariette Kristensson, born 1977, resident in Sweden and Swedish citizen, holds a Master of Science in Economics and Business Administration from Lund's University and an MBA from Stockholm School of Economics. Throughout most of her career Mariette Kristensson has held senior positions within retail, such as Chief Executive Officer at Reitan Convenience Norway AS (2012-2018), Marketing Director at Pressbyrå, Reitan Convenience Sweden AB (2007-2012), Regional Manager at Pressbyrå & 7-Eleven, Reitan Convenience Sweden AB (2005-2007) and District Manager at Pressbyrå & 7-Eleven, Reitan Convenience Sweden AB (2003-2005). Since 2018 she serves as Chief Executive Officer at Reitan Convenience Sweden AB and holds a non-executive director position in CAKK TopCo AB. Mariette Kristensson does not own any shares in BHG.

Further information on the board members proposed for re-election is available at www.wearebhg.com.

The nomination committee further proposes that the annual general meeting resolves upon a nomination committee for the annual general meeting 2022, as follows.

The chairman of the board shall, based on the ownership of the company as of 31 August 2021, convene a nomination committee comprising the chairman of the board and one member appointed by each of the three largest shareholders (a "shareholder" below is referred to as an individual shareholder or a group of shareholders) in the company. In the event any of the three largest shareholders refrains from their right to appoint a member of the nomination committee, the chairman of the board shall pass the right to appoint a member to the shareholder with the next largest shareholding in order.

The member of the nomination committee that represents the largest shareholder in respect of voting power shall be chairman of the nomination committee, provided that the members of the committee do

not agree on another chairman. The chairman of the nomination committee shall not be a member of the board of directors in the company. A shareholder that has appointed a member of the nomination committee, is entitled to discharge that member and appoint a new member at any time. If a member resigns from the nomination committee prior to the completion of its work, the shareholder that appointed the member to the nomination committee is entitled to appoint a new member to the nomination committee. In the event of a material change in the ownership of the company after 31 August 2021, the nomination committee shall be entitled to independently discharge and/or elect additional members in order to ensure that the composition of the nomination committee reflects the ownership of the company.

The members of the nomination committee shall not receive remuneration. However, the nomination committee is entitled to charge the company with reasonable costs for hiring recruitment consultants and other consultants that are necessary for the nomination committee to complete its tasks. In addition, the company shall, at the request of the nomination committee, provide reasonable human resources, such as a secretarial function, to facilitate the work of the nomination committee.

The nomination committee shall pursue the tasks that are the responsibility of the nomination committee pursuant to the Swedish Corporate Governance Code.

The board of directors' proposal regarding guidelines for remuneration to senior executives (item 13)

The board of directors proposes the following guidelines for remuneration to senior executives.

General

The CEO and the two additional individuals in the company's executive management fall within the provisions of these guidelines. The guidelines are forward-looking, meaning that they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2021 Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

How the guidelines' promote the company's business strategy, long-term interests and sustainability

In short, the company's business strategy is to leverage its leading position in the online home improvement market to continue benefiting from the market's underlying growth as a result of increasing online penetration and to couple organic expansion with further active consolidation measures, such as M&A.

For more information regarding the company's business strategy, please see the company website www.wearebhq.com.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration.

These guidelines enable the company to offer the executive management a competitive total remuneration package.

Long-term share-related incentive plans have been implemented in the company. Such plans have been resolved by the general meeting and are therefore excluded from these guidelines. The long-term share-related incentive plan proposed by the board of directors and submitted to the 2021 Annual General Meeting for approval is excluded for the same reason. The proposed plan essentially corresponds to existing plans. The plans include senior executives, key individuals and employees in the company. The

plans are conditional upon the participant's own investment and holding periods of several years. For more information regarding these incentive plans, please see www.wearebhg.com.

Variable cash remuneration covered by these guidelines should aim to promote the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The fixed cash salary shall be individual and based on the responsibility and role of the senior executive, as well as the executive's competence and experience in the relevant position.

Variable cash remuneration may not amount to more than 200 per cent of the fixed annual cash salary. Further variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 100 percent of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration is to be made by the Board of Directors based on a proposal from the Remuneration Committee.

For the CEO, pension benefits, including health insurance (*Sw: sjukförsäkring*), is to be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium-defined pension are to amount to not more than 100 percent of the fixed annual cash salary. For other executives, pension benefits, including health insurance, shall be premium-defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory collective agreement provisions. The pension premiums for premium-defined pension may not amount to more than 100 per cent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (*Sw: sjukvårdsförsäkring*) and company cars. Premiums and other costs relating to such benefits may not amount to more than 100 percent of the fixed annual cash salary.

For employments governed by rules other than Swedish rules, pension benefits and other benefits may be duly adjusted to ensure compliance with mandatory rules or established local practice, taking into account, to the greatest extent possible, the overall purpose of these guidelines.

Termination of employment

Upon termination of an employment, the notice period may not exceed twelve months. Fixed cash salary during the notice period and severance pay may not together exceed an amount corresponding to the fixed cash salary for two years. When termination of employment is initiated by the executive, the notice period may not exceed nine months, without any right to severance pay.

Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration is to be linked to predetermined and measurable criteria which can be financial or non-financial. They may also be individualized, quantitative or qualitative objectives. The criteria are to be designed so as to contribute to the company's business strategy and long-term

interests, including its sustainability, for example by being clearly linked to the business strategy or promote the executive's long-term development.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The extent to which the criteria for awarding variable cash remuneration have been satisfied is to be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation insofar as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation is to be based on the latest financial information made public by the company.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors is to prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines are to remain in force until new guidelines are adopted by the General Meeting. The Remuneration Committee is also responsible for monitoring and evaluating programmes for variable remuneration for executive management, the application of the guidelines for executive remuneration and the current remuneration structures and remunerations levels in the company. The members of the Remuneration Committee are independent of the company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Description of material changes to the guidelines and how the views of shareholders' have been taken into consideration

The proposal for guidelines submitted to the 2021 Annual General Meeting does not include any significant changes in relation to the company's current guidelines for remuneration. BHG Group AB (publ) has not received any views from shareholders to take into consideration in the preparation of this proposal.

The board of director's proposal regarding authorization for the board of directors to resolve on new share issue (item 14)

The board of directors proposes that the annual general meeting resolves to authorize the board, on one or several occasions and for the period up to the next annual general meeting, to resolve to issue

new shares, with or without deviation from the shareholders' pre-emptive rights. The total number of shares that may be issued under the authorization must not amount to more than 20 percent of the total number of shares outstanding in the company following exercise of the authorization. A new issue may be made with or without provisions concerning non-cash consideration, set-off or other provision.

The purpose of the authorization is to enable the company to, in accordance with the company's established acquisition strategy, finance acquisitions with own shares and to provide the board of directors with increased flexibility in the work with the company's capital structure. Issuances of new shares under the authorization shall be made on market terms and conditions.

The board of director's proposal regarding implementation of a new long-term incentive program (item 15)

The board of directors proposes that the annual general meeting resolves to implement a new long-term incentive program for certain senior executives, CEOs and key individuals within the group, through the issue of warrants (LTIP 2021/2024) in accordance with the following. The resolutions under this item are conditional upon each other and are thus proposed to be made as one resolution.

Issue of warrants (item 15 a)

The board of directors proposes that the annual general meeting resolves to issue not more than 1,200,006 warrants, whereupon the company's share capital may be increased by not more than SEK 36,000.18.

The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only be vested in a subsidiary wholly owned by the company for subsequent transfer to current and future employees in the group. The board of directors shall resolve upon allotment of warrants as soon as possible following the annual general meeting. The warrants shall be issued free of charge to the subsidiary and subscription for warrants shall be made on a subscription list no later than 31 May 2021.

Each warrant entitles to subscription for one new share in the company at a subscription price corresponding to 130 percent of the volume-weighted average share price pursuant to the official share price list of Nasdaq Stockholm during the five-day period preceding the annual general meeting 2021. Subscription for new shares by virtue of the warrants shall be made during the period 1 August 2024 up to and including 30 September 2024.

Preparation of and motives for the proposal

The principles of the LTIP 2021/2024 have been prepared by the board of directors of the company in consultation with external advisors and is based on the warrant programs previously adopted by the company. The motives for the proposal and the reason for the deviation from the shareholders' pre-emptive rights are to implement LTIP 2021/2024 in order to create conditions to maintain and increase the motivation of the senior executives, employees and other key individuals within the company and the group. The board of directors deems that it is in all shareholders' interest that senior executives, employees and other key individuals have a long-term interest of a beneficial development of the value of the company's share.

Dilution

Upon full exercise of the warrants at the terms and conditions applicable at the time of the resolution, the number of shares and votes in the company may be increased with 1,200,006, which corresponds to approximately 1 percent of the number of shares and votes. The dilutive effect is calculated as the number of additional shares upon full exercise of all warrants, in relation to the total number of shares upon full exercise. In the event the long-term incentive programs that were adopted in 2019 and 2020

is included in the calculation, the corresponding maximum dilutive effect amounts to approximately 3 percent of the number of shares and votes.

Costs, etc.

The participants in LTIP 2021/2024 receive a subsidy from the company, corresponding to 50 percent of the options' fair value at the time of subscription. A value corresponding to the subsidy is therefore reported as share-based payment in accordance with IFRS 2. The estimated total cost for the company based on the warrant price as per 1 April 2021 is approximately SEK 30,000,000.

Approval of transfer of warrants (item 15 b)

In order to enable the company's delivery of warrants under LTIP 2021/2024, the board proposes that the annual general meeting resolves to approve that the company's subsidiary, directly or indirectly, may transfer the warrants issued in accordance with item 15 a above to the participants in LTIP 2021/2024 at a price per warrant subscribed for amounting to the warrant's market value at the time of the transfer, calculated pursuant to the Black & Scholes warrant valuation model.

Senior group management and platform heads (maximum 10 persons) shall be entitled to subscribe for, in total not more than 450,000 warrants. Select CEOs and select key individuals at group-level (maximum 20 persons) shall be entitled to subscribe for, in total not more than 500,000 warrants. Select other key individuals (maximum 32 persons) shall be entitled to subscribe for, in total not more than 256,000 warrants.

Majority requirements

In order for resolutions in accordance with item 15 above to be valid, the resolutions must be supported by shareholders representing at least nine-tenths of the votes cast and the shares represented at the meeting.

Other incentive programs

For a description of BHG Group's other equity-related incentive programs, reference is made to the BHG Groups website www.wearebhg.com.

Questions and shareholders' right to request information

At an annual general meeting, if any shareholder should so request and the board of the company assesses that this can be done without significant damage to the company, the board and the managing director of the company shall provide information about conditions that could affect the assessment of items on the agenda, the company's and subsidiaries' financial position as well as the company's relationship to other group companies. A request for such information shall be made by e-mail to investment@bhggroup.se, by telephone +46 (0) 724 02 02 17 or by mail to BHG Group AB (publ), Attn: Annual general meeting 2021, Hans Michelsensgatan 9, SE-211 20 Malmö, Sweden no later than Sunday, 25 April 2021. The information is provided by being made available at the company's offices and the company's website, www.wearebhg.com, no later than Friday, 30 April 2021. Furthermore, the information will be sent within the same time period to the shareholder who so request and provide its postal address.

Available documentation and proxy forms

The annual report, the board of directors' remuneration report and complete documentation for the meeting will be presented by being made available at the company's offices and the company's website, www.wearebhg.com, no later than three weeks before the meeting and will be sent free of charge to all shareholders who so request and provide their postal address. The shareholders' register for the

meeting is also made available at the company. Proxy form for shareholders who wish to vote in advance by proxy is available on the company's website and will be sent free of charge to all shareholders who so request and provide their postal address.

Processing of personal data

For information about the processing of your personal data, please refer to Euroclear's website www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf. BHG Group AB's (publ) corporate registration number is 559077-0763 and its registered office is in Malmö, Sweden.

Malmö in April 2021

BHG Group AB (publ)

The board of directors

For more information, please contact:

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This information was submitted for publication, through the agency of the contact persons set out above on 6 April 2021.

About BHG

BHG is the number 1 consumer e-commerce company in the Nordics. We're also present in most of Eastern and Central Europe. Our strong position in these markets makes us the largest European pure-play within the Home Improvement space, meaning Do-It-Yourself and Home furnishings. With an ecosystem of online stores, supported by physical destinations and services, such as last-mile deliveries and installation, we offer the market's leading range of well-known external and strong own brands, totalling close to 1 million unique products and encompassing a complete offering within DIY, leisure, furniture and furnishings.

The Group includes over 100 online sites – including sites like www.bygghemma.se, www.trademax.se, www.chilli.se, www.furniturebox.se and www.nordicnest.se – and over 70 showrooms. We are headquartered in Malmö, Sweden, with operations throughout Europe. Our share is traded on Nasdaq Stockholm, under the ticker "BHG."

The BHG brands employ more than 2,000 people, working every day to create the ultimate online shopping experience by combining an unbeatable product range with smart technology, leading product expertise and a broad range of services.