



RugVista Group AB (publ)

Remuneration Report 2022



Background

This report describes how the guidelines for remuneration of senior executives of RugVista Group, adopted by the extra-ordinary general meeting of shareholders on February 11, 2021, were applied during 2022. "RugVista Group", or the "Company" refers to, depending on the context, RugVista Group AB (publ) (registration number 559037-7882), or the group of companies in which RugVista Group AB (publ) is the parent company.

This report also provides information on remuneration to the CEO, fees to board members in addition to the board remuneration resolved on by the general meeting of shareholders, and a summary of the Company's outstanding share-related and share price-related incentive plans. This report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Information in accordance with Chapter 5, §§ 40-44 of the Swedish Accounting Act is available in Note 7 "Salaries and remuneration to employees" in the Company's annual report 2022. The Board in its entirety has fulfilled the tasks of a remuneration committee. Information on the Board's work in respect of remuneration matters 2022 is available in the corporate governance report on page 69 in the Company's annual report 2022.

Remuneration of Board of Directors and consultancy fees

Remuneration to the Board of Directors is not covered by this report. Such remuneration is resolved on annually by the annual general meeting and disclosed in Note 7 "Salaries and remuneration to employees" in the Company's annual report 2022.

In the event a member of the Board of Directors performs services for the Company in addition to the Board assignment, specific remuneration may be paid for this (consultancy fee) provided that such services contribute to the implementation of the Company's business strategy and safeguarding of the Company's long-term interests, including its sustainability. Pursuant to the remuneration guidelines an annual consulting fee must be on market terms and correspond to the benefit it brings to the Company, and it may never exceed three times the applicable Board remuneration for each member of the Board of Directors.

During 2022 Cutting Edge Construction AB, a company owned by Board member Ludvig Friberger, has provided consultancy services to the Company, and received a consultancy fees in total of SEK 72, which is less than three times the applicable board remuneration. The consultancy services provided were related to development of

the IT platform. It has been assessed important and beneficial to the Company to procure such services, for which a fee on market terms has been paid. The resolution to procure the services was made without the involvement of Ludvig Friberger.

Key developments 2022

The CEO summarizes the Company's overall performance in his statement on page 8 in the Company's annual report 2022.

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

Rugvista Group offers online sale of rugs through its online stores, available in 20 different languages using the Rugvista and Carpetvita brands. The Company's business vision is to become the center of gravity for the European rug industry.

Successful implementation of Rugvista Group's business strategy and safeguarding of its long-term interests, including sustainability, is dependent on the Company's ability to recruit and retain qualified coworkers. The Company's people vision is to attract, motivate and retain extraordinary people, and it constitutes the basis of ensuring that the Company's most important asset, its co-workers, remain motivated and happy to be part of Rugvista. This requires that the Company can offer a competitive total remuneration. The Company's remuneration guidelines enable the Company to offer its senior executives a competitive total remuneration.

Further to the remuneration guidelines remuneration to senior executives shall be on market terms and may consist of the following components: fixed cash salary, pension benefits and other benefits. The guidelines are available in Note 7 "Salaries and remuneration to employees" in the Company's annual report 2022 and on the Company's website www.rugvistagroup.com/en/governance/arvoden-och-ersattningar/.

During 2022 the Company has followed and applied the remuneration guidelines, adopted by the general meeting of shareholders. No deviations from the guidelines, and no derogations from the procedure for implementation of the guidelines have been made. The auditor's report regarding the Company's compliance with the guidelines is available on www.rugvistagroup.com/en/governance/arvoden-och-ersattningar/. No remuneration has been reclaimed.

In addition to remuneration covered by the remuneration guidelines, the general meetings of the Company have resolved to implement long-term share-related incentive plans.

TABLE 1. TOTAL REMUNERATION TO CEO 2022 (SEK)

Name of director (role)	Fixed remuneration		Variable remuneration		Extraordinary items	Pension expenses ⁴	Total remuneration	Proportion fixed and variable remuneration (%)
	Base salary ¹	Other benefits ²	One-year variable	Multi-year variable ³				
Michael Lindskog (CEO)	2 128	112	Not applicable	Not applicable	0	542	2 782	100 / 0

¹ Amount refers to base salary and holiday pay, excluding pension.

² Amount refers to health insurance, car benefit, and paid trips to home outside of Sweden.

³ Outcome pursuant to warrant plans described in table 2 does not, in the Company's opinion, constitute variable remuneration to be reported here.

⁴ Amount refers to pension premium expenses paid during the financial year.

Share based remuneration

Outstanding share related and share price related incentive plans

Entering into 2022 Rugvista Group had one (1) active incentive plan in form of a warrant plan: TO 2021/2024. On the General Meeting May 20, 2022 a resolution was passed to implement an additional incentive plan in form of a warrant plan: TO 2022/2025.

LTIP 2021/2024

Each warrant entitles to subscription of one (1) share in the Company during the exercise period at SEK 162.50, which corresponds to 130 percent of the introductory price of the share. The warrants can be exercised during the period April 15–June 15, 2024. The Annual General Meeting on May 20, 2022, was the last day of sale of warrants under LTIP 2021. Of the total of 860,000 warrants issued, 423,019 warrants remained unsold, which were thereby forfeited.

LTIP 2022/2025

Each warrant entitles to subscription of one (1) share in the Company during the exercise period at SEK 89.61, which corresponds to 130 percent of the average share price during the valuation period. The warrants can be exercised during the period June 1 – September 1, 2025. During 2022 the CEO was awarded 15 000 warrants under TO 2022/2025.

Pursuant to the LTIP plans TO 2021/2024 and TO 2022/2025 eligible employees are offered to acquire warrants at market price at the time of the acquisition, i.e., the participants make a personal investment.

The purpose of the Company's warrant plans is to offer participants the possibility to obtain a remuneration related to, and dependent on, the long-term value growth for Rugvista Group's shareholders that the participants are part of creating. The Board believes that it is beneficial to the Company, and the shareholders, that the participants in this way gets a personal owner commitment in the Company.

The structure of the plans, with a three-year term for the warrants, is assessed to contribute to fulfilment of the Company's long-term business plan, strategy, and financial targets. For further information please see the table below.

TABLE 2. WARRANT PLANS (CEO)

2 (A). Main terms of the warrant plans

Name of director (role)	Name of plan	Performance period ¹	Award date ²	Vesting date ³	End of retention period	Exercise period ⁴	Exercise price and date ⁵
Michael Lindskog (CEO)	TO 2021/2024	2021-2024	2021-03-18	2024-04-15	Not applicable	2024-04-15 –2024-06-15	SEK 162,50
	TO 2022/2025	2022-2025	2022-06-07	2025-06-01	Not applicable	2025-06-01 –2025-09-01	SEK 89,61

¹ Performance period refers to the duration of the plan.

² Award date refers to the date when the warrants were originally awarded.

³ Vesting date refers to the first date when the participant is entitled to exercise the warrants.

⁴ Exercise period refers to the period during which the participant is entitled to exercise the warrants.

⁵ Date refers to the date when warrants were exercised (if any).

2 (B). Information for the reported financial year

Michael Lindskog (CEO)	Opening balance warrants held at the beginning of the year ¹	Warrants awarded during the year ²	Warrants vested during the year	Closing balance warrants subject to performance conditions	Closing balance warrants awarded and unvested ³	Warrants subject to a retention period
TO 2021/2024	240 000	0	0	Not applicable	240 000	Not applicable
TO 2022/2025	0	15 000	0	Not applicable	15 000	Not applicable
Total	240 000	15 000	0	0	255 000	0

¹ Warrants held at the beginning of the year refers to the number of warrants held by the participant per the beginning of the year.

² Market value in SEK of the underlying shares at the time of awarding the warrants was SEK 1 030 350, and the total exercise price for such shares is SEK 1 344 151.

³ Warrants awarded but not vested refers to warrants awarded to and held by participants but that has not been vested.

Application of performance criteria

Currently the CEO has no variable remuneration tied to performance criteria.

Comparative information on the change in remuneration and company performance

TABLE 3. CHANGE IN REMUNERATION AND COMPANY PERFORMANCE (KSEK).

As the Company's shares were listed on Nasdaq First North Premier Growth Market during 2021 it only presents information in respect of the reported financial year (RFY) and changes compared to RFY-1.

Comparative information	RFY vs RFY-1	RFY 2022
CEO remuneration	66 (2,4%)	2 782
Group operating profit	-52 740 (-41,3%)	74 919
Average remuneration on a full-time equivalent basis of employees* of the Group	14.5 (3,2%)	471

* Excluding members of executive management.



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