



## **INVESTOR INFORMATION PACKAGE**

dated on 14 July 2023

from

**TREE PARTNER SOLUTIONS AB (publ)**



# TABLE OF CONTENTS

<b>WELCOME to Tree Partner Solutions .....</b>	<b>1</b>
<b>LETTER – Better Globe AS.....</b>	<b>5</b>
<b>LETTER – Better Globe Forestry ltd.....</b>	<b>6</b>
<b>MEMORANDUM – Summary of legal matters with regard to the Better Globe / Tree Partner Swap .....</b>	<b>7</b>
1 Introductory Remarks.....	7
2 Overview of the New Corporate Structure .....	9
3 The Mechanics Of The Swap .....	9
4 Voting – Minority Rights and Majority Control .....	10
5 Owning Certificates vs. Owning Shares.....	12
6 The Relationship Between TPS And BG AS And BG Kenya/Uganda .....	12
7 Management of Non-swapped Certificates .....	13
8 Transfer restrictions and other matters governed by the new Shareholders Agreement.....	13
9 Summary Of Legal Risks involved with the Investment.....	14
10 Disclaimers .....	16

## APPENDICES

Appendix A	Articles of Association
Appendix B	Shareholders Agreement Form
Appendix C	Summarised valuation report



Gothenburg, Sweden  
14 July 2023

*Before reading further, we kindly ask you to familiarize yourself with the disclaimers and limitations provided on the signature page.*

Dear Investors,

## **WELCOME TO TREE PARTNER SOLUTIONS**

We at Tree Partner Solutions (TPS) are excited to finally give you the full picture of our restructuring efforts and to now be able to involve you in our plans for the future. The documentation we are now providing is mainly concerned with communicating to you the necessary information that you require in order to engage in the proposed *swap*, whereby you have an opportunity to exchange your current rights in the Better Globe project for B-shares in the TPS Fund, allowing for a full restructuring of the project.

The TPS core team is made up of four people, who, just like you, have invested in the Better Globe project. After investing, we soon found ourselves wanting to engage more with the project and became ambassadors for Better Globe. When concerns were raised a few years back regarding Better Globe, we found ourselves, and many others, asking questions about the health of the project and the future. Eventually this concern led to a deeper engagement with the project, and we started our company, Tree Partner Solutions. In cooperation with the teams at Better Globe in Norway (BG AS) and Better Globe Forestry in Kenya (BGF), we have set up TPS to be the custodian of the financial investment previously channeled through Better Globe.

Our efforts ramped up significantly more than year ago when we started looking into the operations and management of the Better Globe project. Throughout we have communicated with ambassadors, investors and Better Globe to make sure all stakeholders are as informed as they reasonably can be, and that all perspectives have been available to us when making critical choices. We have not relied on our efforts alone, but have taken care to appoint experts to aid us in the restructuring. Local tax and corporate experts from BDO's Nairobi office have helped us review all local structure matters in Kenya and Uganda, including the corporate structure and tax matters and have audited operations and financial statements. We have taken expert advice from Africa Legal Network (ALN) Nairobi office to better understand all the underlying contractual and legal arrangements. We have asked the internationally recognized forestry- and sustainability consultant DGB Group (Dutch Green) to make a full valuation of the assets (trees) under Better Globe's management. Finally, we have asked legal counsel in Sweden, Dangoor Associates, to propose a restructuring solution and to provide the legal analysis and project management necessary to execute such a complex project. Unfortunately, it is not appropriate that we share the findings of our different experts in full, for reasons of reliance and confidentiality with regard to Better Globe proprietary interests. However, our lead counsel at Dangoor Associates has provided a summary of the legal risks connected with your investment at the current time (see below) and a summary of the DGB valuation report is provided as an appendix.

The TPS core team consists of:

Jakob Eriksson Saternus as the *Chairman of the board*,  
Rickard Isaksson as the *Chief Executive Officer* and member of the board,  
Isabelle Saternus as the *Chief Financial Officer* and member of the board, and  
Alina Lundberg as the *Head of Investor Relations* and member of the board.

Together we are a team with diverse experience from across several industries joined by our shared passion for sustainable enterprise in the developing world. We are united in our commitment to bringing the Better Globe project into the future, and to ensure that the effort and investment that has gone into the project is secured.

### *New commercial terms and main aspects of the new corporate structure*

The continuous pay out plan provided by Better Globe has proven not to be financially sustainable. However, the value of the trees (and lumber products that may be derived from such trees) planted by Better Globe has increased steadily. Additionally, the current terms and conditions of your investment sets out a specific buy back price per tree. This price was to be paid to investors when trees reached maturity. As trees have increased in value it is very possible that the final value per tree may be significantly higher than the nominated amount on current certificates to be paid out at maturity. In order to ensure the future financial stability of the Better Globe project the continuous payment model will cease after the restructuring (see more in the letter from legal counsel below). However, the additional value of the trees will be provided to TPS in full by agreement with BG AS and BGF, including value *in excess* of the face value of the tree certificates. By providing such value to TPS, that value is transferred, indirectly, to you the investors as holders of B-shares in TPS.

This financial solution has been the heart of collaborative restructuring efforts of TPS, BG AS and BGF and in November 2022 we presented the swap offer to investors for the first time. The additional goal of the restructuring and of TPS is that the swap will result in a strategically and financially improved corporate structure. The new structure aims to clarify investors' rights and provide transparency and accountability under a clear corporate governance managed by the TPS team. We have looked to set up an internal governance structure that will let you, as shareholders, partake in the future of your investments whilst leaving daily administrative tasks to us. Under the new governance structure voting control is held by the A-shares, which are held by the TPS Team through the company TPS Management AB. However, the ultimate decision-making power will be held by a majority of the B-shares. If such a majority wishes to exercise a veto at the general meeting of the shareholders the A-shares (TPS Management) must accept such a decision. Additionally, we have included a right for the B-shares to appoint a member of the board of directors that will have access to all information and will ensure that the investor interest is never set aside (see more in the letter from legal counsel). We will arrange for an owners committee, consisting of representatives of B-shareholders what will have direct communications with the board of directors, we are currently looking at the details for this aspect of governance. We have also worked to provide a system for bilateral sales, allowing investors to divest their investment in an orderly manner which does not affect the stability of the collective investment. A-Shares will only hold voting rights, all economic rights will be held by the B-Shares.

In order to ensure transparency and accountability, all purely charitable work under the Better Globe structure has been excluded from TPS going forward. TPS very much shares the desires of many to have a charity structure but combining charity and business in the same structure is administratively burdensome and creates risks both from an investor point of view and from the point of view of the local communities who are the beneficiaries of charitable donations. Discussions are currently underway for a successor structure, a sister organization to TPS, to continue the important charitable work that has been undertaken by the Better Globe project. Such an organization will be fully separate from the for-profit and investor funded work undertaken by TPS. Our commitment to fair and sustainable enterprise remains, and we will ensure that all our partners and local communities get their fair share of the profits, get all the necessary training, receive the correct equipment and that our business practices leave local communities and the environment better off. At the core of this idea is our one-for-one strategy; for every tree that is planted for investors an additional tree is planted for the farmers and local communities – they will hold the rights to all such trees. The work that has been done throughout the years with regard to irrigation, education and social acceptance has laid the ground and we believe that the time is right now to make this project purely one of social entrepreneurship – and no longer part business, part charity. *Distribution of profits and expanded opportunities*

#### *Distribution of profits and expanded opportunities*

Under the new structure you will be entitled to receive dividends from the future profits of TPS, regardless of whether revenue arises from the purchase and sale of trees or the sale of produced lumber, or finished consumer products made from such lumber. Dividends will be paid out when that is permitted under Swedish law, when there are excess profits to pay out, and as the board of directors deems prudent.

This new structure allows us to expand our involvement in the lumber and wood materials industry and by participating in the swap and becoming a shareholder in the Company, we can include you in all the additional revenue from products manufactured from the material after harvesting trees.

Since we agreed with BGF that it will be a supplier of not only the planting and maintenance of the trees but also the felling, drying and sawing of the trees, investors, through TPS, will be able to increase involvement in the economic development in East Africa aligning with the core vision behind the project. The further collaboration with BGF. This strategy will allow us to participate in the development of the industry in East Africa and hopefully lead to business opportunities and job creation in local communities. Our aim is that these new arrangements can benefit the development of the economy in East Africa.

Our Partnership with BGF also means that BGF will receive 1 % of all profits arising from the project. Ensuring that this remains a commercially viable venture for all parties.

Our hope is that this new strategy will not only be a part of the social sustainability but also continue to advance the positive impact on the climate by contributing to the off-setting of carbon dioxide in the atmosphere, combat desertification and reduce soil erosion furthering the sustainability goals that have always been the core of this project.

### *Key summary*

We believe that TPS will deliver compelling value to all of investors as shareholders. Our intention is for it to deliver:

- **Enhanced internal leadership.** The combined team behind our company will consist of Team TPS with our combined knowledge of business and sustainability endeavor seeking active engagement with investors and partners to make sure important decisions are always evaluated from all relevant perspectives.
- **A collaborative broadening of industry investments.** Our future investment strategies and collaboration and financial interest in the entire chain of production from planting of trees to sales of manufactured products, allows us to lead the way regarding sustainable enterprise in East Africa and have a more profound impact on local communities.
- **A robust development of governance.** The new structure will be subject to the mandatory information and reporting requirements that are set out by Swedish law, in addition to additional safeguards for investors included in the articles of association and to be provided by the board of directors.
- **Secondary sales.** We have incorporated clear mechanisms for sale of shares allowing investors flexibility.
- **An expert valuation of our trees.** The preparatory work for the swap has allowed us to take help from global experts in the valuation of our trees giving us a clear understanding of our investment.

### *In conclusion*

Please take your time to read this package in full. It contains important information and background to the swap and the corporate structure we are hoping you will want to become a part of.

You will find the documentation attached in the following order:

- Letter from Better Globe AS Chairman, Rino Solberg.
- Letter from Better Globe Forestry Managing Director, Jean-Paul Deprins.

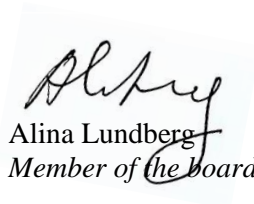
- Legal Memorandum from legal counsel.
  - Auditor's Statement on the valuation of the swap.
- Appendices
- Annotated versions of the shareholders agreement and the articles of association.
  - Documentation for the swap.
  - Summary of valuation report from Dutch Green.

After many months of preparing, we are now looking forward to the future together with all of you, and to get down to work.

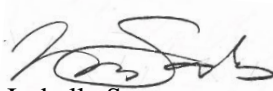
Yours sincerely,



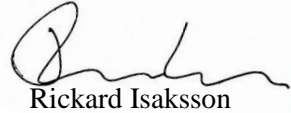
Jakob Eriksson Saternus  
Chairman of the board



Alina Lundberg  
Member of the board



Isabelle Saternus  
Member of the board



Rickard Isaksson  
Chief executive officer

*This letter and other documents or information given by TPS M, the Company, BG AS and BGF may contain forward-looking statements. These statements are not guarantees of future performances and are subject to inherent risks and uncertainties. Forward-looking statements may be identified by the fact that they do not relate strictly to historic or current facts and may include words such as "may", "will", "expects", "believes", "projects", "plans", "intends", "estimates", "anticipates", "targets", "forecasts", "seeks", "could" or the negative of such terms or comparable terminology. Forward-looking statements include, but are not limited to, statements about the expected future business of the Company. These statements reflect estimates of certain (but not all) possible scenarios made by TPS M, the Company, BG AS and BGF based on information currently available to it and are subject to various assumptions, as well as risks and uncertainties that may be outside of its control. Actual results could differ materially from those expressed or implied in such forward-looking statements. Any such forward-looking statements are based only on conditions as of the date on which they are made TPS M, the Company, BG AS and BGF shall be under no obligation to update or alter such forward-looking statements whether as a result of new information, future events or otherwise, except to the extent legally required.*

*Investment involves risk. As a general rule, you should only trade in financial products that you are familiar with and understand the risk associated with them. You should carefully consider your investment experience, financial situation, investment objective, risk tolerance level and consult your independent financial adviser as to the suitability of your situation prior making any investment. Upon participating in the swap, you are choosing to purchase securities. The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.*



Moss, Norway  
14 July 2023

**Dear Better Globe customers,**

We are pleased to announce the successful completion of the restructuring efforts initiated by Better Globe AS and TPS regarding the trees managed by Better Globe Forestry (BGF) in East Africa. This restructuring is a response expression to challenges in the current operational structure that, if left unsolved, could potentially jeopardize our investments in Kenya and Uganda. In our collective commitment to this project, we have embarked on a journey together to address these concerns. The proposed restructuring of our tree investments will safeguard our operations and preserve the significant value we have built over the years.

Trust is vital in any project and fosters collaboration, effective communication, and, ultimately, success. We have immense trust in the TPS team. The work leading up to this point has been characterized by mutual respect and support, allowing us to rely on one each other's skills, judgment, and dedication. This empowers us to deliver the best possible outcome for you, our investors.

As we near the conclusion of the current phase of the Better Globe AS project and embark on a new chapter, it is time to shift our focus to the future. We are making significant progress in developing our market position. To ensure swift progress, we are offering all investors the opportunity to participate in a swap, that will make you shareholders in Tree Partner Solutions AB (publ). This swap involves using your tree investments as reflected in your respective tree certificates, as payment-in-kind for a new issuance of shares in Tree Partner Solutions AB (publ).

We wholeheartedly recommend active participation in this project, as it presents a remarkable opportunity for both financial growth and making a meaningful impact through our work in Africa via Better Globe Forestry Ltd. With a solid business model, transparent communication, and a commitment to social and environmental responsibility the TPS team with their expertise, experience, and passion is driving the project forward, ensuring effective execution and sustainable growth. We highly encourage you to continue this journey with TPS at the helm.

We express our gratitude for your trust and commitment throughout the years, and we eagerly anticipate what lies ahead.

Best regards,  
**Better Globe AS**

A handwritten signature in blue ink that reads "Rino Solberg".

**Rino Solberg**  
Chairman



# Better Globe Forestry Ltd.

*Prosperity with Purpose*

14 July 2023

**Dear recipient,**

I hope this letter finds you in good health. I am writing to update you on the ongoing restructuring efforts of our operations related to the trees in Africa under Better Globe Forestry Ltd.'s care. This initiative has been undertaken by Better Globe AS and the TPS team. As the Managing Director, I recognised the importance of this task and the trust placed in us by TPS. Therefore, we are committed to keeping you informed throughout the year, through channels such as newsletters, social media, and periodically TPS AB.

Despite the challenges involved in this restructuring project, we have complete faith in the TPS and BG AS teams and believe in a promising future. I am pleased to report significant progress promising in navigating the initial stages of the project which, primarily, for Better Globe Forestry Ltd, involved undergoing thorough scrutiny by various parties for due diligence.

We fully support the plan to exchange your certificate rights with Better Globe AS in Norway for shares in the Swedish company Tree Partner Solutions AB. This plan is the result of extensive legal and strategic work conducted over the past year. Additionally, we trust that TPS AB and Better Globe AS teams will continuously monitor market conditions and adapt their strategies to ensure sustainable growth and long-term value creation for all stakeholders. Better Globe Forestry Ltd. will continue to implement forestry practices, diligently planning and managing trees to the best of our abilities and expertise.

Our primary focus remains poverty eradication through tree planting, and we firmly believe that our forestry model is the most effective strategy for creating lasting impact in the areas where we operate. Our model is sustainable in the long term and has a significant positive effect on both the social and environmental aspects. Forestry is increasingly recognized in this region, particularly for its potential in combatting desertification and poverty. We have garnered support from authorities, research institutions, and key players in the forestry industry in East Africa. Most importantly, we have earned the trust of local communities, which is an immensely gratifying aspect of our project.

We are grateful and humbled by your continued support for our vision and mission, as well as your involvement. By being part of this project, you contribute to meaningful change while also benefiting from a return on investment. We strongly encourage you to embrace this opportunity and be part of the remarkable achievements already accomplished on the ground.

Lastly, I want to emphasize our unwavering commitment to complying with all legal, agreed-upon, and common-sense requirements in terms of transparency, integrity, and communication. We highly value the trust you have placed in us, and we are confident that this is just the beginning of an endless journey.

Yours sincerely,  
**Better Globe Forestry Ltd.**



**Jean-Paul Deprins**  
Managing Director



# DANGOOR ASSOCIATES

Stockholm, Sweden  
14 July 2023

## **MEMORANDUM – SUMMARY OF LEGAL MATTERS WITH REGARD TO THE BETTER GLOBE / TREE PARTNER SOLUTIONS SWAP**

*FOR THE BENEFIT OF INVESTORS*

### **1 INTRODOCTORY REMARKS**

*Before reading further, I kindly ask you to familiarize yourself with the disclaimers and limitations provided in Section 10.*

Dear Investors,

Many of you perhaps do not see yourselves as *investors* in the Better Globe project, but rather as enthusiasts and supporters of the important work taking place in the Better Globe project for fairness and sustainability. However, as lead counsel for TPS and supplier of the legal aspects of this restructuring, it is my duty to communicate with you as investors. I know that for many of you, this legal memorandum will be the longest, and, I fear, the driest, legal technical document you have read, or will read. I ask you to bear with me. Hopefully this memorandum will provide answers to many questions and you will gain an understanding of your rights and your risks. While none of this memorandum constitutes legal advice upon which you may rely, you will also find my honest and plain assessment of the legal problems that have arisen in the Better Globe project (with regard to safeguarding investor value), how the new structure looks to solve those problems, and the limits of those solutions. I have attempted to express myself in plain and clear language throughout, and, while it may not read as poetry, I hope it will be understandable to all.

The information package you are now receiving and the opportunity you are being provided to swap your certificate rights visavi Better Globe AS for shares in the Swedish company Tree Partner Solutions AB is the result of more than a year's worth of legal and strategic work. The challenge has been to move decades worth of effort, enthusiasm, investment and relationships which make up the Better Globe project to a new platform so that certain institutional problems can be solved and the project can move to the next appropriate phase. This has required us to provide a legal structure which accommodates the many legitimate interests of stakeholders in the Better Globe project. Founders, ambassadors, foresters, governments, farmers, local populations in Kenya and Uganda and the managers of the TPS team all have legitimate interests that for the most part align, but also require balancing and compromise. However, it is the investor interest – your interest – which has always been our guiding principle and highest priority. At the heart of this restructuring of the Better Globe project is one core purpose – to safeguard the investor value that has been entrusted to the project.

That is why, of the many routes open to the TPS- and BG teams, my recommendation from the beginning has been a *swap*. The swap will give investors an opportunity to exchange their Better Globe tree certificates (which, from a strictly legal point of view constitute a debt note, not subject to significant regulation or legal protection) for shares in a Swedish company. By the act of this swap your investment will be brought in under the Swedish corporate regulatory framework. You will no longer hold certificates which give you rights with regard to trees planted in Kenya and Uganda. You will instead hold shares which give you rights in regards to a company which holds investments in trees planted in Kenya and Uganda on your behalf.

This means there will be a board of directors with a statutory fiduciary duty towards shareholders (you). There will be annual reports provided, including financial statements subject to audit by a certified public accountant, allowing you to better understand the health and status of your investment. You will be given a legally mandated right to ask questions of the board at the general meeting. These are some of the basic requirements of transparency and accountability that the corporate structure provides. I do not want to give

the wrong impression; after the swap control over the Better Globe project will rest with the TPS management team who hold the A-shares (through the company Tree Partner Solutions Management AB, see more below), but they must exercise that control with regard to the legal requirements of good corporate governance. Furthermore, we have looked to structure the corporate governance in such a way that the management control of TPS is balanced with reasonable mandatory investor rights and opportunities for influence over the corporate decision making going forward. In addition, I know that the TPS team are looking at different ways to source input and feedback from investors on a more regular basis outside of the “hard” rights provided to the investors under the corporate framework.

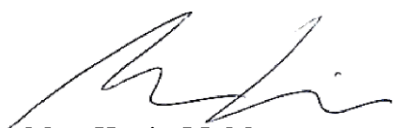
Overview of the new corporate structure:

2	Overview of the new corporate structure
3	The mechanics of the swap
4	Voting - Minority rights and majority control
5	Owning Certificates vs. Owning Shares
6	The relationship between TPS and Better Globe AS and Better Globe Kenya/Uganda
7	Management of the Non-Swapped Certificates
8	Transfer Restrictions and other matters governed by the new Shareholders Agreement
9	Summary of the risks associated with the investment
10	Disclaimers

In the appendices to this informationpackage you will also find commented versions of central corporate documentation employed to execute the new corporate structure, including the new articles of association (Appendix A) and the new shareholders agreement (Appendix B).

I wish to thank the TPS team for entrusting myself and the team at Dangoor Associates with this exciting and important project. I wish to thank the Better Globe Norway and Better Globe Kenya teams for their trust and cooperation throughout. Finally, I wish to thank you, the investors, for your commitment to sustainable development of forestry and enterprise in the developing world. We are just getting started.

Med vänliga hälsningar,



Marc Harris, LL.M.  
Managing Partner, Dangoor Associates

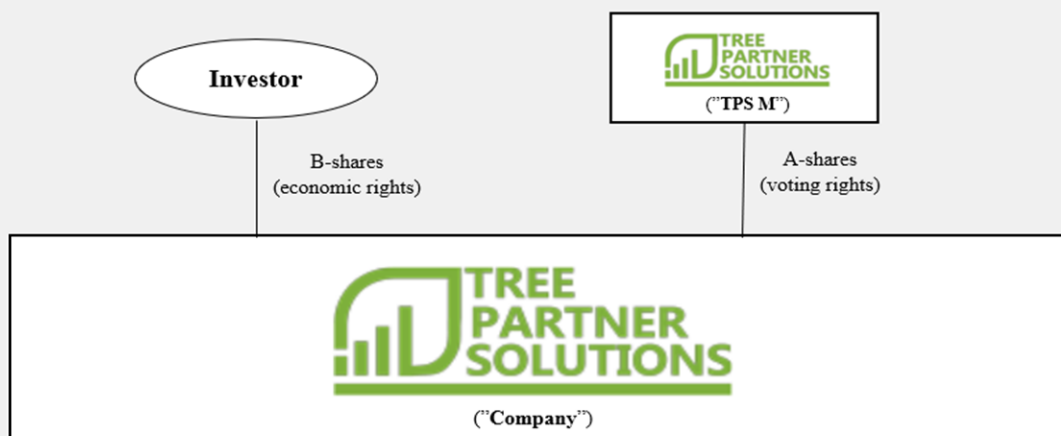
## 2 OVERVIEW OF NEW CORPORATE STRUCTURE

2.1. Upon participating in the swap investors will receive B-Shares in the Tree Partner Solutions AB (publ), reg. no. 559417-5514, a public limited liability company, incorporated and registered under the laws of Sweden (the “**Company**”).

2.2. The new corporate structure will rely on the issuance of two (2) share classes, A-Shares and B-Shares. A-Shares will hold the majority of voting power at all times, but will hold no economic rights, including no right to receive dividends from the Company. The B-Shares will have nominal voting rights according to law, but will always remain in the voting minority in relation to the A-Shares. However, the B-Shares will hold all economic rights, including all rights to receive dividends from the Company, consequently the A-shares will hold no economic rights and receive no dividends. Tree Partner Solutions Management AB (“**TPS M**”) will hold all A-Shares.

2.3. The general meeting of the shareholders appoints the board of directors who in turn run the regular commercial affairs of the Company. The board of directors has a statutory fiduciary duty, and a duty of care, with regard to the shareholders. The A-Shares, holding the majority of the votes at the general meeting, will have the power to appoint the board of directors. To ensure balance and to be certain the interest of the B-Shares is always represented on the board, the articles of association set out that one (1) of the board members must always be appointed by the B-Shares. The articles of association also stipulate that there shall be an electoral committee which shall propose board members to the general meeting, in such committee there shall be included a member who is specifically elected by the B-Shares, this member has a veto right with regard to whom the electoral committee shall propose as the B-Shares’ board member.

2.4. For visual details of the new corporate structure please refer to the diagram below:



## 3 THE MECHANICS OF THE SWAP

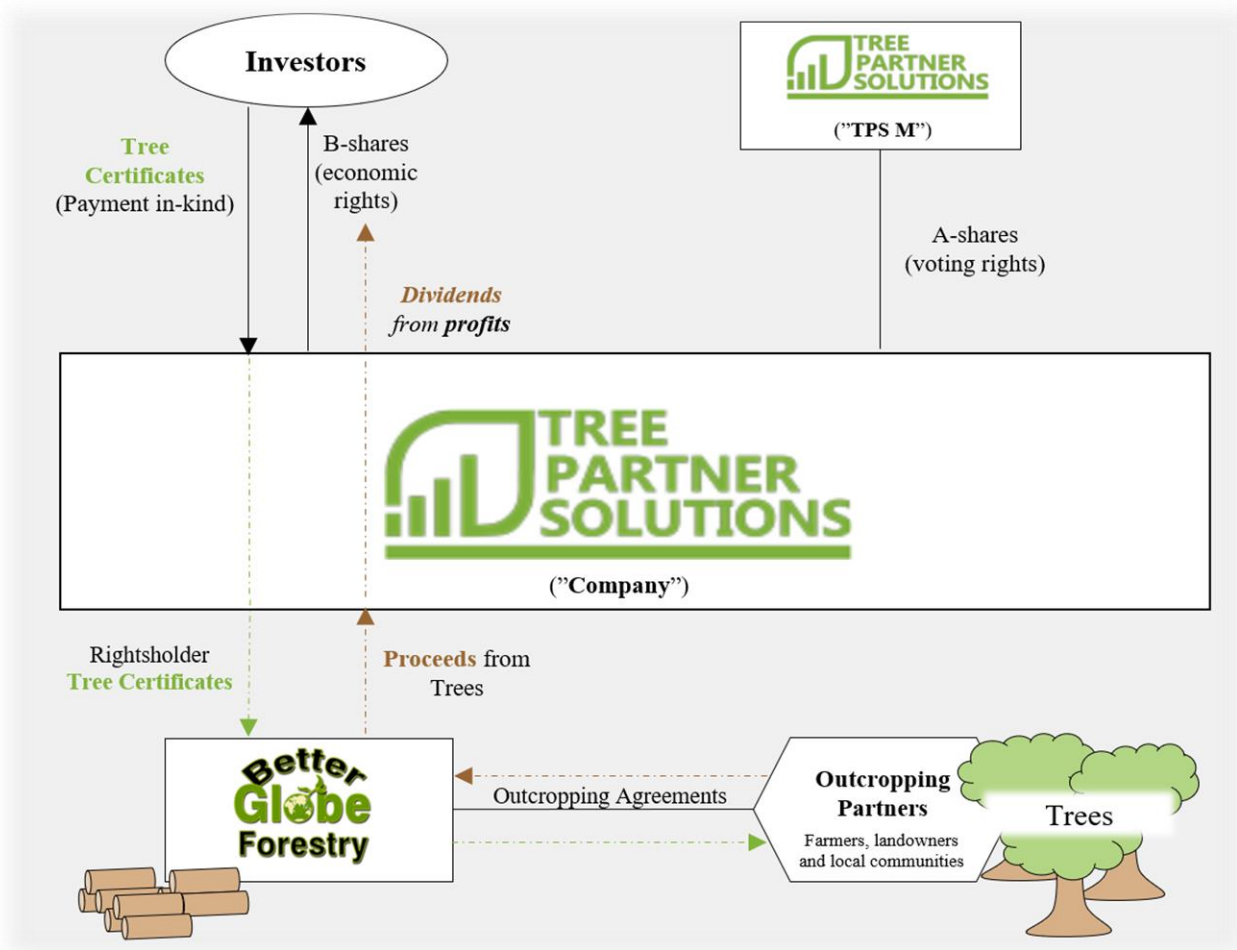
3.1. The swap offer is structured as a new issuance of shares by the Company. The issuance sets a subscription price per share of SEK 16.847 (approx. EUR 1.4354). Payment may only be made by way of a contribution in kind to the Company of the rights held by investors under their current agreements with Better Globe AS (“**BG AS**”), as expressed in the *Customer Terms – Buying Better Globe Trees* and numbered (i.e., how many trees an investor holds rights to) in the *Certificates* provided to the investors by BG AS. Only current investors in Better Globe will be permitted to subscribe for shares in this new issuance, and only by way of contributing their certificates (and rights that attach thereto). This way, after the swap, investors hold B-Shares in the Company and the Company holds rights against BG AS.

3.2. In order to make this kind of share issuance, the board of directors of the Company has made a thorough valuation of the rights set out in the certificates and all underlying assets, being the trees planted in Kenya and Uganda. This valuation is expressed in a specific letter provided to the general meeting of the shareholders (please note that only the A-shares are represented at the general meeting of the shareholders deciding on the swap issuance). The board's valuation is reviewed and approved by the Company's certified public accountant, who provides a separate letter to the general meeting of shareholders.

3.3. When the subscription period<sup>1</sup> ends, the shares that an investor has subscribed for will (i) be entered into the Company's shareholders register by the board of directors and, (ii) be registered by the Swedish Companies Registration Office. It is at the point of such shares being entered into the Company's shareholders register that the investors formally take possession of their B-Shares.

3.4. Please note that shares are subscribed for by the investor signing the Investor Signature Package provided by TPS and that no additional transfer of funds is required for the subscription. Additionally, the subscription is deemed by TPS M to constitute a "fair and valid swap" in accordance with the *Terms and Conditions Addendum November 2022* that BG AS has provided and that most investors have signed.

3.5. Please find below a visual diagram of the swap:



## 4 VOTING MINORITY RIGHTS AND VOTING MAJORITY CONTROL

4.1. Generally, the governance of a Swedish limited liability company functions according to *majority rule*. The highest decision-making forum in the Company is the *general meeting of the shareholders*, and, as a general rule, decisions are made at the general meeting by way of a *simple majority* (more than fifty

<sup>1</sup> Being the period during which it is possible for investors to sign the Investor Signature Package and execute the Swap of their certificate(s).

(50) percent). The majority is calculated according to *votes* not *capital share*. However, certain decisions require *qualified majorities* according to law, and articles of association may be stated in such a way that the majority is further limited, beyond the limitations set out in law.

4.2. The capital structure of the Company is deliberately engineered so that TPS M, being the holder of A-Shares will retain control of the administration of the Company, including such decisions as, for example:

- (a) the appointment of the board of directors;
- (b) the delegation to the board of directors to decide upon new issuances of shares;<sup>2</sup>
- (c) resolving upon payment of dividends to shareholders;
- (d) the approval of financial statements provided by the board to the general meeting (and to regulators); and
- (e) resolving on amendment to the articles of association of the Company.

#### 4.3. **B-shares carry rights to profits**

4.3.1 B-shares entitles the investors to a preferential profit distribution *visavi* the A-Shares, meaning that the B-Shares are set to receive all profits generated in the Company through dividends. However, as the A-shares hold the voting majority it is the A-Shares that ultimately hold the power to decide *when* and in *which amount* that B-Shares receive dividends.

#### 4.4. **B-Share Voting Minority rights**

4.4.1 In order to make sure that the decisions of the Company are not made in contradiction of the wishes of investors any decisions by the general meeting may be vetoed by a majority of B-shares. This veto may only be executed by a majority of all the B-Shares issued by the Company, not, for the avoidance of doubt, by the majority of B-Shares present at the general meeting (if such majority does not also represent a majority of all the B-shares issued). Meaning that for the veto to be exercised (i) a majority of the B-Shares have to be present at the general meeting, either directly or by proxy (i.e., by issuing a power-of-attorney) and (ii) that majority must vote for the exercise of veto at the meeting. The veto is further qualified by ten (10) percent of unique B-Shareholders supporting the decision to veto. This is to ensure that no single B-Shareholder can achieve undue influence over the Company. Such a B-share veto would, by numbers, constitute a *minority* of the votes represented at a general meeting, provided that the A-Shares are there and voting, but due to the rules set out in the articles of association the majority vote (A-shares) will not carry if the veto is exercised.

4.4.2 The purpose of the veto-mechanism is to balance the majority control and the minority rights by giving the investors the ability to block decisions, that otherwise would be made as decided by TPS M having the *majority votes*. This will allow for TPS M to administrate the Company efficiently while ensuring that express wishes of a majority of investors are not ignored.

4.4.3 The articles of association require that at least one (1) of the members of the board of directors is elected with the express approval of the majority of the B-Shares present at the annual general meeting of the shareholders. This board member will represent interests of the B-Shares on the board of directors and enjoy all the rights and privileges as other board members, including full rights to information of all matters in the Company and be subject to the same duties as other board members.

---

<sup>2</sup> This power resides with the general meeting as default, but may be delegated to the board by decision of the general meeting, allowing for greater flexibility in when and how new shares are issued. This is central to TPS' possibility to provide new investment opportunities going forward.

## 5 OWNING CERTIFICATES VS. OWNING SHARES

5.1. Under the current arrangements with Better Globe investors hold a certificate that gives the investors' rights *visavi* BG AS who in turn hold rights *visavi* Better Globe Forestry Ltd. ("BGF").<sup>3</sup> This certificate is best described as a bilateral agreement or a debt note, providing investors with specific, enumerated rights.

5.2. Holding a share in the Company will also provide investors with rights. In comparison to the rights held by investors under the debt note these rights are much more general in nature. Under the debt note investors may claim payment from BG AS in a certain amount, and at a certain time. If BG AS fails to pay investors according to their rights as expressed under the debt note, they can, ultimately, safeguard their rights buy way of bringing a lawsuit in public court. As a holder of B-Shares investors have a different position, they are entitled to dividends according their shareholding *when and if and in such amount* as the A-shares choose to resolve on paying such dividends.

5.3. What is lost in control is gained in (i) financial upside and (ii) transparency and accountability. Under the current debt note investors rights to payment are set at a specific amount, regardless of whether that amount represents the full value of the trees financed by the investor's investment. B-Shareholders are entitled to receive dividends from *all profits*<sup>4</sup> raised by the Company even if such profits are made in excess of the financing provided by the investor (per tree). Under the debt note BG AS is not subject to any reporting requirements or any standards of good governance. The board of directors in the Company will have to provide information to its shareholders and make annual reports according to law. Regardless of voting rights *any* shareholder may participate in the general meeting and put questions to the board of directors and chief executive officer.

## 6 THE RELATIONSHIP BETWEEN TPS AND BETTER GLOBE AS AND BETTER GLOBE KENYA/UGANDA

6.1. As a result of the restructuring efforts carried out by TPS and the BG AS/BGF teams, there have been changes made to the previous agreements which has resulted in a new structure of rights and liabilities between the involved parties. The Company and BGF will now be parties to an Amended and Restated Buy Back Agreement. This new agreement clarifies the rights and liabilities that were previously held by BG AS towards BGF, and transferring this position *visavi* BGF to TPS.

6.2. After the swap is executed, the Company will inherit all BG AS economic rights regarding the assets (trees) that were funded by BG AS and are managed by BGF. Going forward, the Company will now have the following rights: (i) the ability to take possession of and transport any tree to which it has economic rights and has reached maturity, (ii) the right to process these trees into lumber or manufactured wood products ready for sale to end-customers or at any stage of the manufacturing process, (iii) the right to sell all subproducts derived from the trees, , and (iv) the freedom to sell any felled tree, lumber, or finished product as they see fit. Furthermore, any value obtained from the possession of these trees will belong solely to the Company (and therefore benefit investors).

6.3. As part of the new structure, BGF and the Company have agreed to certain obligations towards each other. BGF will act as an agent on behalf of the Company and supplier of forestry services, providing essential tree management services such as planting and maintaining the trees. In return, the Company will provide funding to BGF. Both parties will exchange timely information for mutual benefits, ensuring the assets are managed in a stable and secure manner. This collaboration aims to maximize the value for investors in the long run by fostering a strong and sustainable relationship between BGF and the Company.

---

<sup>3</sup> Some rights are held through Better Globe Forestry Uganda Ltd., which, for the purposes of this memo, is to be included in the "BGF"-definition.

<sup>4</sup> Please note that the board of directors may propose that the general meeting pays out dividends from *less than all profits* raised for the purpose of keeping a share of the profits to consolidate the business and/or to make reinvestments etc. Furthermore, according to law the annual general meeting can not resolve on paying out a higher amount of dividends than what the board of directors has recommended.

## 7 MANAGEMENT OF NON-SWAPPED CERTIFICATES

7.1. To ensure that all current trees planted under the Better Globe project come under the administration of the Company, BG AS and TPS have collaborated in the following. Simultaneously with the investor swap share issuance as described above, the Company will open a second issuance, in which only Tree Partner Solutions Investments AB (“**TPS I**”) will be permitted to subscribe for shares. BG AS and TPS I have prior to the opening of the Swap entered into certain contracts whereby all rights *visavi* BGF corresponding to non-swapped Certificates (i.e., investments made by Investors who are either unable or unwilling to take part in the Swap) are transferred to TPS I. TPS I will then look to exchange B-shares for non-swapped certificates continuously until as many certificates as possible have been recovered. TPS I will then provide such certificates to the Company as shareholders contributions, bringing those rights under the framework of the new agreements between Company and BGF (and the B-Share holders becoming beneficiaries of that value). TPS I will also be able to offer to purchase certificates in cash, if necessary.

7.2. These arrangements do not affect the rights of any holders of non-swapped certificates *visavi* BG AS.

## 8 TRANSFER RESTRICTIONS AND OTHER MATTERS GOVERNED BY THE NEW SHAREHOLDERS AGREEMENT

### 8.1. Transfer restrictions

8.1.1 The new corporate structure will accommodate approximately 11,000 unique shareholders. Most companies with this vast number of shareholders are publicly traded companies, listed on a well-regulated stock exchange and whose shareholders register is maintained electronically by a so called central clearing institute (in Sweden this institute is Euroclear). This allows for the shares to be traded “instantly” with large amounts of trades taking place, and being properly documented and executed, each day. At this time, TPS has chosen not to use the services of a central clearing institute, despite the number of shareholders in the Company following the swap, as this would entail all shareholders being required to sign for specific securities accounts in order to hold shares in the Company. Therefore, in order to ensure that all transfers of B-shares are properly recorded and that the shareholders register is maintained in accordance with Swedish law all share transfers must be pre-approved by the board of directors in the Company.

8.1.2 To ensure that all transfers are pre-approved by the board of directors in the Company, certain transfer restrictions have been placed on B-shares. These transfer restrictions are set out in part in the Company’s articles of association and in part in the shareholders agreement (“**SHA**”) that each investor must sign as part of the signature package upon taking part in the swap. The articles of association contain a post-transfer purchase right (“**PTPR**”). The PTPR are rights provided by each shareholder to all other existing shareholders in the Company. The PTPR constitutes a right for the existing shareholders to repurchase any shares sold by an investor without the approval of the other shareholders in the Company. These rights are stipulated in the articles in order to make these rights enforceable against third parties i.e., persons who are not existing shareholders in the Company at the time of purchasing shares.

8.1.3 The SHA has two main functions with regard to transfer restrictions. Firstly, it sets out the mechanism for clearing of transfers by the board, giving instructions to investors what to do to ensure that their sale of shares is a permitted transfer. Secondly, by signing the SHA each investor (i) empowers TPS M, the holder of A-shares, to either exercise or waive<sup>5</sup> the investors’ PTPR-rights under the articles and (ii) undertakes that they will not exercise their PTPR-rights independently of TPS M. This ensures that TPS M can disqualify any sale of shares not pre-approved by the board of directors and also ensures that only TPS M can do so, avoiding a situation where any shareholder can interfere with the transactions of any other shareholder. The consequences of selling shares without getting pre-approval from the board, can in the worst case be liability to pay damages and losing any remaining shares held by the investor. The guidelines for getting pre-approval will be clearly provided on the TPS website, and as long as an investor who wishes to sell their shares makes sure they get pre-approval from the board there is no risk of liability. Investors wishing to sell shares will be able to communicate with the Company directly before doing so, they will not

---

<sup>5</sup> “Waive” is a legal term meaning the active choice not exercise one’s rights in any situation.

need to interpret the rules on transfer restrictions independently. The board of directors will be entitled to charge the parties of the transaction a reasonable fee for clearing the sale.

## 8.2. Other provisions

8.2.1 All investors agree to offer their shares to be listed on a public stock exchange in order for the Company to become a publicly traded company. The initiative to list the Company and the shares rests with TPS M. In the event of a listing the investors accept that their shares may be subject to a so-called lock-up period.<sup>6</sup> These lock-up periods may differ between investors. It should be noted that in the event of the Company becoming a publicly traded company the PTPR-rights will be removed from the articles of association and the shareholders agreement will be cancelled.

8.2.2 In order to maintain the governance structure of the Company, the investors accept that TPS M may at any time, by way of an extra general meeting of the Company, or by instructing the board of directors, to issue new A-shares to TPS M so that TPS M maintains its voting majority in the Company. Please note again, that A-shares carry no economic rights, they only carry voting rights.

8.2.3 Each investor pledges their shares (i.e., provide their shares as collateral) as security for their undertakings *visavi* TPS M under the SHA. This allows TPS M, in case of a material breach of the SHA by the investor, to take possession of the shares of such investor. This is important to protect the interests of all other shareholders, who abide by the terms of the agreement.

## 9 SUMMARY OF LEGAL RISKS INVOLVED WITH THE INVESTMENT

### 9.1. General

9.1.1 All investments are subject to risk. When investing in securities, or any legal relationship where the outcome is dependent on future developments, there is a risk of losing the investors' investment. In this regard an investment in the Better Globe project as it was conceived, or in the Company as it is now presented to the investors, is no different from any other investment. Commercial risks such as fluctuations in the global market price of timber, the risk of assets being damaged by for example flooding and fire, political risk involved with investing in a region with a history of political instability, all have to be considered to be "priced in" when purchasing a tree certificate, or exchanging that tree certificate for B-shares in the Company. Such commercial risks are better explained elsewhere and by other people. In the following we are concerned with legal risks which have been identified in the process of achieving this restructuring. It is important to note that none of these risks have been created by the restructuring as such, but rather have been present in the project for some time, i.e., these risks are already associated with the assets investors hold prior to the swap, the tree certificates, and will remain also after the swap with regard to the assets investors will then hold, B-shares in the Company.

### 9.2. Outcropping agreements with local farmers and landowners

9.2.1 The foundation of the Better Globe Forestry model is so-called outcropping, meaning that the forestry company (Better Globe in Kenya and Uganda respectively) plants trees on land to which it does not hold ownership or lease rights, and that the bulk of the work in maintaining and cultivating those trees is done by the local land owner, land lessee,<sup>7</sup> local farmer, or local community. The forestry company provides training and monitoring to the outcropping partners, but does not *itself* do the bulk of the work. The forestry company then retains rights to fell the trees planted under such an arrangement, take the log into its possession and subsequently extract the economic value from that felled tree, now better described as

---

<sup>6</sup> A lock-up period is a limited time period, following the initial listing of the company, when the pre-existing shareholders (i.e. the shareholders who owned shares before it was listed on the stock exchange) may not sell their shares (which are now listed). This is done in order to protect the share price; if following a listing the stock exchange is flooded with shares from pre-existing shareholders who wish to sell, the share price will drop significantly. Therefore pre-existing shareholders are only permitted to sell their shares gradually. The length and structure of the lock-up period is based on advice from an investment bank or financial advisor.

<sup>7</sup> "Lessee" is a legal term, describing the person who *receives* the right to occupy land under a lease. The landowner, or other person who *gives* the right to someone else to use the land under a lease, is called the *lessor*.



lumber. The Better Globe Model is that half of the trees planted with outcroppers are subject so such “felling rights” held by BGF, and half of the trees planted under this arrangement remain the property of the outcropping-partner. BGF then has an additional purchase right to the trees to which they do not have rights, and a right to fell and take possession of such tree by paying a pre-agreed sum to the outcropping-partner. These arrangements are negotiated and committed to writing in a contract between BGF and the outcropping partner. These agreements are in the following describes as Outcropping Agreements. Upon doing due diligence of the legal arrangements underpinning the Better Globe project, and with support of local legal expertise, that there is a clear risk that many of the Outcropping Agreements have been entered into with the wrong party. Meaning that the person signing the agreement on behalf of the outcropping partner is not an authorized representative of the landowner, or other person that may be designated as the correct lessor<sup>8</sup> of the land parcel in question. This is due in part to complex local regulations regarding tribally owned land and difficulties in making due diligence of correct ownership ahead of entering into contracts regarding sale or use of land. Still, this calls the legal validity and enforceability of the Outcropping Agreement into question. A legal risk is not always realized, and it may well be the case that when the time comes for BGF to fell the trees and exercise its rights under the Outcropping Agreement that no landowner, or only very few landowners, will protest that agreement is not valid and so as a financial matter it will have little or no relevance. Assurances may be made by others that this an aspect of doing this kind of business in this part of the world, but as a legal matter no such assurances can be given. Ultimately there is a risk that some of the outcropping agreements are deemed invalid due being entered into with an incorrect counterparty, and as such are invalid and the assets subject to such agreement may not be claimed by BGF. It is our understanding that a significant share of the assets (trees) managed by BGF, may be subject to this risk.

9.2.2 There are plans going forward to enter into new and improved agreements with all outcropping partners (see also below) and at such time also ensure that such agreements are entered with the correct counterparties in such a manner as to ensure validity and enforceability under local law. This work is made possible by the exceptionally good relationships which BGF maintains with its outcropping partners, and with local communities, but regardless it will require an effort spanning several years before this risk has been dealt with, by way of entering into new agreements.

### 9.3. Exposure to Better Globe Forestry Insolvency<sup>9</sup>

9.3.1 Under the current arrangements (tree certificates subject to certain terms and conditions) the view of BG AS and BGF is that the assets are held by BGF on behalf of the investors, the assets are not held on BGF’s balance sheet<sup>10</sup> but, but are described in note to the balance sheet as assets held on behalf investors. It is BGF’s and BG AS’ position that this protects investors in the case of insolvency of BGF, and that investors would be able to claim the value of the trees ahead of BGF’s other creditors.<sup>11</sup> We take a more pessimistic view.

9.3.2 The outcropping agreements are entered into between the outcropping partners and Better Globe Forestry. The outcropping agreements make no mention of investors or of BG AS. While the current arrangements with investors may well allow for BGF to not hold the assets on its balance sheet (on this we hold no view), it puts investors in a precarious situation in case of BGF’s insolvency. In such a situation it

---

<sup>8</sup> See footnote 7 above.

<sup>9</sup> “*Insolvency*” is a legal term implying that a person or a company is unable to pay all its debts on time as they fall due. In informal language this is usually referred to as “going bankrupt”.

<sup>10</sup> A balance sheet, or statement of financial position, is a financial statement setting out which assets are held, and which debts are owed, by a company at any given time.

<sup>11</sup> “*Creditor*” is a legal term describing someone who has made a loan, or provided a credit, or performed a contractual obligation and not yet been paid, to another party for which they have a right claim payment. The person owing the debt is called a *debtor*.

is possible that BGF's other creditors may claim against the bankruptcy estate<sup>12</sup> with better priority<sup>13</sup> than Investors, and the value of the investment could be reduced or lost in such an event.

9.3.3 The Company will step into the shoes of investors following the swap and will, as such, inherit the insolvency risk that investors are currently exposed to (and so investors will remain indirectly exposed to that risk, following the swap). Additionally, restructuring arrangements have been made so that the Company will also step into the shoes of BG AS *visavi* BGF, following the swap. There are certain actions that can be taken to reduce the Company's insolvency exposure and TPS and BGF are currently exploring different alternatives but until such time there is a remaining risk. Also, it should be noted that under the new arrangements between the Company and BGF, the Company will likely be BGF's largest contractual creditor in any insolvency situation.

#### 9.4. Certain issues regarding charitable donations

9.4.1 BG AS has historically operated with a dual purpose, to provide an investment opportunity in sustainable enterprise based with the goal of providing investors with a financial return and to provide a structure for charitable donations to, and charity work in, the local communities where the Better Globe project is active. Including these parallel goals in the same organisation raises a risk of confusion and lack of clarity with regard to which undertakings and rights are binding on Better Globe and its counterparties, and which undertakings and rights are voluntary, meaning Better Globe and its counterparties may choose not to perform such undertakings without risk of negative consequences (such as damages for breach of contract). While there are, to our knowledge (and we have not made detailed inquiries on this point), no current claims against Better Globe arising from this issue, we cannot rule out that such claims may be made. Going forward, all the charity work, and all the cash flows arising from charity will pass through a separate structure. Only financial investments, for the purpose of making a return, while supporting sustainable enterprise, and cash flows arising from such investments, will be accepted in the Company.

#### 9.4.2 Regulatory issues

Please note that no regulatory issues have been brought to our attention and that no review or regulatory compliance has been made in the course of our work. We therefore make no comment on the state BGF's regulatory compliance.

## 10 DISCLAIMERS

10.1. This Memorandum (the "**Memorandum**") has been prepared by Dangoor Associates AB, reg. no. 556948-7787 ("**DA**"), and is being provided delivered to a limited number of persons ("**Recipients**") for the purpose of informing on the new corporate structure and the Better Globe / Tree Partner Solutions swap ("**Circumstances**").

10.2. This Memorandum, and any accompanying material is provided to the investors by DA or in relation hereto for information purposes only. This Memorandum is not intended to form the basis of an investment decision, nor is it an offer, invitation or recommendation to sell, swap or solicitation of an offer to buy any securities.

10.3. This Memorandum does not purport to be all-inclusive nor does it contain all the information that you, as a prospective investor might, desire in deciding whether to proceed with the swap. Whilst we have endeavored to include information believed to be reliable and relevant, no representation or warranty, expressed or implied as to the accuracy or completeness of such information, including, but not limited to,

---

<sup>12</sup> A "*Bankruptcy estate*" is the legal entity that steps into the shoes of a company after it has gone bankrupt, it is run by a bankruptcy administrator appointed by a court (meaning the board and officers of the company no longer exercise control), with the only task of paying off as much of the company's debts as possible, and then dissolving the company.

<sup>13</sup> The nature of an insolvency event is that not all creditors get paid the full amount of their claims, therefore claims are paid out in order of their *priority* according to law. There are measures that may be taken *before insolvency* (by way of agreement between coordinated action between the company and the creditor in question) to ensure that one's claim has the highest possible priority in the event of insolvency. Once insolvency is a reality it is too late to undertake such measures.

financial information included herein, or in any other written or oral communication transmitted or made available to the Recipient, is made. Any responsibility or liability for any such information is expressly disclaimed. No one may rely upon the information set out herein for any purpose, including a decision to participate in the swap described herein.

10.4. This Memorandum and other documents or information given by DA, the Company, TPS M, BG AS and BGF may contain forward-looking statements. These statements are not guarantees of future performances and are subject to inherent risks and uncertainties. Forward-looking statements may be identified by the fact that they do not relate strictly to historic or current facts and may include words such as “may”, “will”, “expects”, “believes”, “projects”, “plans”, “intends”, “estimates”, “anticipates”, “targets”, “forecasts”, “seeks”, “could” or the negative of such terms or comparable terminology. Forward-looking statements include, but are not limited to, statements about the expected future business of the Company. These statements reflect estimates of certain (but not all) possible scenarios made by TPS M, based on information currently available to it and are subject to various assumptions, as well as risks and uncertainties that may be outside of its control. Actual results could differ materially from those expressed or implied in such forward-looking statements. Any such forward-looking statements are based only on conditions as of the date on which they are made the DA, the Company, TPS M, BG AS and BGF shall be under no obligation to update or alter such forward-looking statements whether as a result of new information, future events or otherwise, except to the extent legally required.

10.5. Neither the Company, ALN, BGF, BG AS, BDO, TPS M, DA nor any of its shareholders, boards, directors, officers, employees, partners, advisors, agents, associates or other representatives shall be liable (including in negligence) for any direct, indirect, or consequential losses, damages, costs, or expenses arising out of or in connection with the use of or reliance on this Memorandum or ant information contained herein or disclosed or delivered herewith.

10.6. Investment involves risk. As a general rule, you should only trade in financial products that you are familiar with and understand the risk associated with them. You should carefully consider your investment experience, financial situation, investment objective, risk tolerance level and consult your independent financial adviser as to the suitability of your situation prior making any investment. Upon participating in the swap, you are choosing to purchase securities. The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.

## APPENDIX A - ARTICLES OF ASSOCIATION

### BOLAGSORDNING / ARTICLES OF ASSOCIATION <sup>1</sup>

#### för / for Tree Partner Solutions AB (publ) (org.nr. / reg.no. 559417-5514)

Antagen på extra bolagsstämma den \_\_\_\_\_ 2023.  
*Adopted on the extraordinary general meeting dated \_\_\_\_\_ 2023.*

#### § 1 **Firma / Name of company** <sup>2</sup>

Bolagets firma är Tree Partner Solutions AB (publ). Bolaget är publikt.  
*The company's name is Tree Partner Solutions AB (publ). The Company is public.*

#### § 2 **Säte / Registered office** <sup>3</sup>

Bolaget har sitt säte i Göteborgs kommun, Sverige.  
*The company's registered office shall be situated in Gothenburg municipality, Sweden.*

#### § 3 **Verksamhetsföremål / Object of the company's business** <sup>4</sup>

Bolaget har till föremål för sin verksamhet att, bedriva skogsbruk samt förvärva och förvalta rättigheter inom virke- och skogsindustrisektorn, i syfte att främja hållbarhet på en global nivå samt bedriva därmed förenlig verksamhet.

*The object of the Company's business is, to conduct forestry operations and acquire and manage rights withing the timber- and forestry industry sector, with the aim of promoting sustainability on a global scale, and any other activities compatible therewith.*

#### § 4 **Aktiekapital / Share capital**

Aktiekapitalet ska uppgå till lägst 4.000.000 kronor och till högst 16.000.000 kronor.  
*The share capital shall be not less than SEK 4,000,000 and not more than SEK 16,000,000.*

#### § 5 **Aktier / Shares**

Antalet aktier ska uppgå till lägst 40.000.000 och till högst 160.000.000.

---

<sup>1</sup> The **articles of association** of a company is the fundamental governing document in the company and gives details on how the company will be operated. The document is registred with the Swedish Registration office (sw. *bolagsverket*) and available to the public. The articles shall, among other things, inform on the object of the company's business, the permitted size and structure of the share capital (including the maximum number of shares that may be issued by the company) , the and specifics regardin the Company's general meeting,. Any changes to the articles of association are subject to resolution of the general meetings and applicable law, and must also be registered with the Swedish Registration office (sw. *bolagsverket*). The rights stipulated in the articles are enforceable against third parties i.e., persons who are not existing shareholders in the Company at the time of purchasing shares.

<sup>2</sup> The Company is a **public limited liability company**. This means that the shares of the company may be offered in a public offer and there is no restriction on number of shareholders.

<sup>3</sup> The **company's registered office** is the county of which the company's board of directors operate the organisation. Normally, general meetings will be held in the municipality where the has its registered office.

<sup>4</sup> This is the primary **object of the Company**, for further details see the Introduction Letter from Tree Partner Solutions and the Legal Memorandum.

*The number of shares shall be not less than 40,000,000 not more than 160,000,000.*

Bolagets aktier kan ges ut i två olika slag, A-aktier som ges ut i serie A ("A-aktier") och B-aktier som ges ut i serie B ("B-aktier").<sup>5</sup> Aktier av varje aktieslag, kan ges ut till ett antal motsvarande hela aktiekapitalet. *Shares may be issued in two classes: A-shares issued in series A ("A-shares") and B-shares issued in series B ("B-shares"). Shares of either class, may be issued up to an amount corresponding to the entire share capital.*

Vardera A-aktie har tio (10) röster och vardera B-aktie har en (1) röst.  
*A-shares carry ten (10) votes each and B-shares carry one (1) vote each.*

## **§ 6 Vinstdelning och likvidation / Allocation and distribution of profits and upon liquidation**<sup>6</sup>

Vid vinstutdelning eller annan värdeöverföring ska alla medel fördelas enligt nedan.  
*Upon profit distribution, or other value transfer, all funds shall be allocated as set out below.*

B-aktier har företräde till vinstutdelning samt till utdelning i samband med likvidation av bolaget, såsom föreskrivs nedan.  
*B-shares have a preferential right to profit distribution and to proceeds distributed upon liquidation of the company, as set out below.*

B-aktier ska såvitt avser rätt till vinstutdelning ha företrädesrätt framför stamaktier till all utdelning av Bolagets vinst. A-aktierna ska således inte inneha någon rätt till utdelning i Bolaget.  
*B-shares shall be entitled to receive preferential profit distribution over common shares, of all profits in the Company. Thus, the A-shares shall not be entitled to any profit in the Company.*

Vid bolagets likvidation ska medel från likvidation fördelas på samma sätt som om sådana medel utbetalats som utdelning, i enlighet med vad som anges ovan.  
*Upon the liquidation of the company, funds from the liquidation shall be allocated in the same order as if such funds were allocated in the form of profit distribution, in accordance with what is set out above.*

## **§ 7 Emissioner / Issue of shares**<sup>7</sup>

Beslutar bolaget att genom kontant- eller kvittningsemission ge ut nya aktier, ska ägare av aktier av en (1) A-aktie och en (1) B-aktie ha företrädesrätt att teckna en (1) ny aktie av samma aktieslag i förhållande till det antal aktier innehavaren förut äger (primär företrädesrätt). Aktier som inte tecknas med primär företrädesrätt ska erbjudas samtliga aktieägare (subsidiär företrädesrätt). Om inte sålunda erbjudna aktier räcker för den teckning som sker med subsidiär företrädesrätt, ska aktierna fördelas mellan tecknarna i förhållande till det totala antal aktier de förut äger i Bolaget. I den mån detta inte kan ske vad avser viss aktie / vissa aktier, sker fördelning genom lottning.

*Where the company resolves to issue new shares by way of a cash issue or a set-off issue, one (1) A-share and/or one (1) B-share shall entitle the holder to pre-emption rights to one (1) new share of the same class pro rata to the number of shares of said share class previously owned by the holder (primary pre-emption rights). Shares that are not subscribed for pursuant to primary pre-emption rights shall be offered to all*

---

<sup>5</sup> The **share classes** in the Company determine the different levels of (i) influence and control of the company and (ii) the rights to distribution of dividends and profits in the company. For more regarding this see Section 2.2 in the Legal Memorandum.

<sup>6</sup> For an in-depth explanation about the **allocation and distribution of dividends** in the Company see Section 4 (*Minority rights and Majority Control*) in the Legal Memorandum.

<sup>7</sup> The **issue of shares** refers to the process by which the Company raises money by selling ownership stakes in the form of new shares in the Company to investors. The articles reinforce what is set out in law and what is viewed as the norm of Swedish corporate governance, that *existing* shareholders have a pre-emption right in proportion to their pre-existing shareholding to subscribe for new shares. This proportional pre-emption right is sub-divided among the share classes, meaning that pre-existing holders of A-shares have proportional pre-emption rights to any new issuance of A-shares, whereas B-shares don't. This principle may be deviated from with a 2/3 majority vote at the general meeting.

*shareholders for subscription (subsidiary pre-emption rights). Unless shares offered in such manner are sufficient for the subscription which takes place pursuant to subsidiary pre-emption rights, the shares shall be allotted among the subscriber's pro rata to the total number of shares previously owned. In the event that this is not applicable regarding certain shares, the shares be distributed through the drawing of lots.*

Beslutar bolaget att genom kontant- eller kvittningsemission ge ut aktier av endast ett aktieslag, ska samtliga aktieägare, oavsett aktieslag, ha företrädesrätt att teckna nya aktier i förhållande till det antal aktier som de förut äger.

*Where the company resolves to issue only one class of shares by way of a cash issue or set-off issue, all of the shareholders, irrespective of the class of share, shall hold pre-emption rights to subscribe for new shares pro rata to the number of shares previously owned.*

Vad som sagts ovan ska inte innebära någon inskränkning i möjligheten att fatta beslut om kontantemission eller kvittningsemission med avvikelse från aktieägares företrädesrätt.

*The provisions above shall not entail any restrictions on the possibility for the company to adopt a resolution regarding a cash issue or set-off issue without regard to shareholders' pre-emption rights.*

Vad som föreskrivs ovan om aktieägares företrädesrätt ska äga motsvarande tillämpning vid emission av teckningsoptioner och konvertibler.

*The provisions above regarding shareholders' pre-emption rights shall apply mutatis mutandis to an issue of warrants or an issue of convertible instruments.*

Vid ökning av aktiekapitalet genom fondemission ska nya aktier emitteras av varje aktieslag i förhållande till det antal aktier av samma slag som finns sedan tidigare. Därvid ska gamla aktier av visst aktieslag medföra företrädesrätt till nya aktier av samma aktieslag. Vad som nu sagts ska inte innebära någon inskränkning i möjligheten att genom fondemission, efter erforderlig ändring av bolagsordningen, ge ut aktier av nytt slag.

*Upon an increase in the share capital by way of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class which are already in existence. In relation thereto, old shares of a particular class shall entitle the holder to pre-emption rights to new shares of the same class. The aforementioned shall not entail any restrictions on the possibility for the company to issue shares of a new class through a bonus issue, following any necessary amendments to the articles of association.*

## **§ 8 Räkenskapsår / Financial year <sup>8</sup>**

Bolagets räkenskapsår ska vara kalenderår.

*The company's financial year shall be the calendar year.*

## **§ 9 Redovisningsvaluta / Accounting currency**

Bolag ska ha SEK som redovisningsvaluta.

*The company shall have SEK as its accounting currency.*

## **§ 10 Styrelse / Board of directors <sup>9</sup>**

Styrelsen ska, till den del den utses av bolagsstämman, bestå av lägst tre (3) styrelseledamöter och högst nio (9) styrelseledamöter, med högst fem (5) styrelsesuppleanter.

---

<sup>8</sup> The **financial years** is (normally) a set 12-month accounting period that a business uses for financial and tax reporting purposes.

<sup>9</sup> The **board of directors** represents the interests of all shareholders and run the day-to-day affairs of the Company. For more about this see Section 2 (*Overview of New Corporate structure*) in the Legal Memorandum.

*The board of directors elected by the general meeting shall consist of not less than three (3) members of the board of directors and not more than nine (9) members of the board of directors, with no more than five (5) alternate members of the board of directors.*

Varje ordinarie Styrelseledamot ska utses på ordinarie bolagstämma genom särskild omröstning varvid åtminstone en (1) ordinarie styrelseledamot ska utses med en majoritet av de av B-aktierna avgivna rösterna på årsstämman ("**Särskilda Styrelseledamot**").<sup>10</sup>

*The members of the board of directors shall be elected at the annual general meeting by way of special vote whereby one (1) of the member of the election committee shall be appointed by the majority of the B-shares votes at such annual general meeting ("**Special Member of Board**").*

## **§ 11 Valberedning / Election Committee**<sup>11</sup>

Valberedningen ska bestå av lägst tre (3) valberedningsledamöter och högst fem (5) valberedningsledamöter. Valberedningen utses på ordinarie bolagstämma genom särskild omröstning varvid åtminstone en (1) valberedningsledamot ska utses med en majoritet av de av B-aktierna avgivna rösterna på årsstämman ("**Särskilda Valberedningsledamoten**").

*The election committee shall consist of not less than three (3) members of the election committee and not more than five (5) members of the election committee. The election committee shall be elected at the annual general meeting by way of extraordinary vote whereby one (1) of the members of the election committee shall be appointed by the majority of the B-shares votes at such annual general meeting ("**Special Member of the Election Committee**").*

Valberedning ska utse ordförande inom sig. Uppdraget som valberedningsledamot ska löpa tills slutet av den ordinarie bolagstämman som hålls under det nästkommande räkenskapsåret efter det att denna utsågs.

*The election committee shall appoint a chairman among themselves. The election and assignment as a member of the election committee shall apply until the close of the ordinary general meeting, which is held during the first financial year after the election of such member of the election committee.*

Bolaget svarar för kostnader förenade med utförandet av valberedningens uppdrag. Valberedningens ledamöter ska uppbära skälig ersättning från Bolaget, enligt ordinarie bolagstämmans beslut i efterhand.

*The Company is responsible for all costs associated with the execution of the election committee's tasks. The members of the election committee shall collect reasonable remuneration from the Company, according to the decision of the annual general meeting upon the end of such member's term.*

I Valberedningens uppdrag skall ingå att utvärdera styrelsens sammansättning och arbete och att på ordinarie bolagstämma lämna förslag om:

*The assignment of the election committee shall include the evaluation of the composition and the work of the board of directors in the Company and to propose resolutions at the annual general meeting regarding:*

- (a) Ordinarie bolagsstämmans ordförande;  
*The chairman of the annual general meeting;*
- (b) Antal och föreslag till styrelseledamöter att utse på ordinarie bolagstämma, varav en ska anges som valberedningens förslag till Särskild Styrelseledamot;  
*Number of and proposed members of the board of directors, to be elected at the annual general meeting, one of which designated as the election committee's nominee for the Special Board Member;*
- (c) Styrelsens ordförande;  
*The chairman of the board of directors;*

---

<sup>10</sup> All members of the board of directors will have to each be elected, whereby one being the **Special Member of the Board** must gain a majority of the votes from the B-shares.

<sup>11</sup> For more about the **election committee** see Section 2.3 in the Legal Memorandum.

- (d) Antal och förslag till valberedningens ledamöter att utse på ordinarie bolagstämma, varav en ska anges som valberedningens förslag till Särskild Valberedningsledamot;  
*Number of and proposed members of the election committee, to be elected at the annual general meeting, one of which designated as the election committee's nominee for the Special Member of the Election Committee;*
- (e) Antal och förslag på revisionsbolag eller revisor(er) att utse på ordinarie bolagstämma;  
*Number of and proposed accounting firm or auditor(s) to be elected at the annual general meeting;*
- (f) Arvode till styrelseledamöter;  
*Remuneration for the board of directors;*
- (g) Arvode till avgående valberedningsledamöter,  
*Remuneration for the members of the election committee;*
- (h) i förekommande fall, principer för val av valberedningsledamöter och valberedningens uppdrag,  
*Election of principles of electing members of the election committee and the assignment of the election committee, where applicable;*

Valberedningen ska inom sig avgöra frågor med enkel majoritet, dock får inget beslut om valberedningens förslag till årsstämman om Särskild Styrelseledamot eller Särskild Valberedningsledamot fattas utan att Särskilda Valberedningsledamoten röstat för sådant förslag.  
*The election committee shall decide matters with a simple majority, however, that the election committee may not make any decision on who the nominate as the Special Board Member or may be made without the Special Member of the Election Committee having voted for such a proposal.*

## **§ 12 Revisor / Auditor**<sup>12</sup>

Bolaget ska ha lägst en (1) och högst två (2) revisorer samt högst två (2) revisorssuppleanter.  
*The Company shall have not less than one (1) and not more than two (2) auditors with not more than two (2) alternate auditors.*

## **§ 13 Kallelse till bolagsstämma / Notice to attend general meetings**<sup>13</sup>

Kallelse till bolagsstämma ska ske genom annonsering i Post- och Inrikes Tidningar samt genom att kallelsen hålls tillgänglig på Bolagets webbplats. Information om att kallelse skett annonseras i Svenska Dagbladet.

*Notice to attend general meetings shall be posted in Post- och Inrikes Tidningar and made available on the Company's website. Information about the notice having been given shall be announced in Svenska Dagbladet.*

Styrelsen äger rätt att inför en bolagsstämma samla in fullmakter enligt det förfarande som anges i 7 kapitel 4 § andra stycket aktiebolagslagen (2005:551).

*The board of directors has the right to collect proxies before a general meeting according to the procedure specified in chapter 7. Section 4, second paragraph of the Swedish Companies Act (2005:551).*

Styrelsen äger rätt att besluta att den som inte är aktieägare i Bolaget ska, på de villkor som styrelsen bestämmer, ha rätt att närvara eller på annat sätt följa förhandlingarna vid bolagsstämma.

---

<sup>12</sup> The company must have a certified auditor to audit the company's annual accounts and review certain other matters according to law. The law requires that public companies include such a provision in their articles of association.

<sup>13</sup> This clause is on the procedure of **notices to attend general meeting**, setting out specific procedures for convening and conducting general meetings ensuring compliance with legal requirements. The notice clause outlines the rules and procedures for providing notice to shareholders regarding general meetings, the specific timeframe and methods by which you will be notified about upcoming meetings.



*The board of directors may decide that anyone who is not a shareholder in the Company shall, on conditions set by the board of directors, have the right to attend or otherwise follow the negotiations at the general meeting.*

Styrelsen äger rätt att inför en bolagsstämma besluta att aktieägarna ska kunna utöva sin rösträtt per post före bolagsstämman enligt vad som anges i 7 kapitel 4 a § aktiebolagslagen (2005:551).  
*The board of directors has the right to decide before a general meeting that the shareholders can exercise their voting rights by mail before the general meeting according to what is stated in chapter 7. Section 4 a of the Swedish Companies Act (2005:551).*

#### **§ 14 Särskild ort / Special Location <sup>14</sup>**

Utöver den ort där Bolaget har sitt säte såsom angivet i § 2 får bolagsstämma (oaktat om det är ordinarie bolagsstämma eller extra bolagsstämma) även hållas i (i) samtliga kommuner inom Västra Götalands län, (ii) samtliga kommuner inom Stockholms län och (iii) samtliga kommuner i Skåne län. Samtliga kommuner framgår av Bilaga A.

*In addition to the registered office of the Company as set out in section § 2 above the general meetings (regardless of whether it is an annual general meeting or an extraordinary general meeting) may also be held in any of the (i) municipalities within Västra Götaland County, (ii) municipalities within Stockholm County and (iii) municipalities in Skåne County. All municipalities are set out in Appendix (A).*

#### **§ 15 Ärenden vid ordinarie bolagsstämma / Matters at the annual general meeting <sup>15</sup>**

Ordinarie bolagsstämma hålls årligen inom sex (6) månader efter räkenskapsårets utgång.  
*The annual general meeting is held annually within six (6) months of the end of the financial year.*

På ordinarie bolagsstämma ska följande ärenden förekomma.  
*The following matters shall be addressed at the annual general meeting.*

1. Bolagsstämmans öppnande och val av bolagsstämmans ordförande;  
*Opening of the general meeting and election of a chairperson of the general meeting;*
2. Upprättande och godkännande av röstlängd,  
*Preparation and approval of the voting register;*
3. Godkännande av dagordning,  
*Approval of the agenda;*
4. I förekommande fall, val av en eller två justeringspersoner,  
*Election of one or two persons to attest the minutes, where applicable;*
5. Prövning av om stämman blivit behörigen sammankallad,  
*Determination of whether the meeting was duly convened;*
6. Föredragning av framlagd årsredovisning och revisionsberättelse samt, i förekommande fall, koncernredovisning och koncernrevisionsberättelse,  
*Presentation of the annual report and auditor's report and, where applicable, the consolidated*

---

<sup>14</sup> This **special location**-clause allows for general meetings to be held at other locations than the registered office of the Company.

<sup>15</sup> The **annual general meeting (AGM)** is the meeting held annually and the matters at the annual general meeting is listed in order to provide transparency and inclusion as well as promoting consistency. At an AGM, the board of directors present an annual report containing information for shareholders about the company's performance and strategy. It is at the AGM that decisions regarding payment of dividends are finally made. However, the board of directors must make a recommendation to the AGM on the size of the dividend and the AGM may not resolve to pay dividends in excess of the board's recommendation.

*financial statements and auditor's report for the group;*

7. Beslut om;  
*Resolutions regarding;*
  - a) fastställande av resultaträkning och balansräkning, samt, i förekommande fall, koncernresultaträkning och koncernbalansräkning,  
*adoption of the income statement and balance sheet and, where applicable, the consolidated income statement and consolidated balance sheet;*
  - b) dispositioner beträffande vinst eller förlust enligt den fastställda balansräkningen,  
*allocation of the company's profit or loss according to the adopted balance sheet;*
  - c) ansvarsfrihet åt styrelseledamöter och verkställande direktör när sådan förekommer,  
*discharge from liability for board members and the managing director, where applicable;*
8. Fastställande av styrelse-, valberednings- och revisorsarvoden;  
*Determination of remuneration for the board of directors, the members of the election committee and the auditors;*
9. Val av styrelseledamöter;  
*Election of the board of directors*
10. Val av valberedning;  
*Election of the members of the election committee;*
11. Val av revisionsbolag eller revisorer;  
*Election of the accounting firm or auditors;*
12. Annat ärende, som ankommer på stämman enligt aktiebolagslagen eller bolagsordningen;  
*Any other business incumbent on the meeting according to the Companies Act or the articles of association.*

## **§ 16 Särskilt B-aktie veto/ Specific B-share veto**<sup>16</sup>

Beslut av bolagsstämman (oaktat om det är fråga om ordinär bolagsstämma eller extra bolagsstämma) är ogiltigt om (i) mer än hälften av de av B-aktierna avgivna rösterna röstat emot sådant beslut och dessa tillsammans företrädde minst hälften av samtliga B-aktier i Bolaget vid tidpunkten för stämmans öppnande och (ii) åtminstone sådant antal aktieägare som innehar B-aktier, sett till antal personer (unika aktieägare), som utgör tio (10) procent av samtliga aktieägare som innehar B-aktier, sett till antal personer (unika aktieägare), vid tidpunkten för stämmans öppnande, röstat emot beslutet.

*Resolution by the general meeting (regardless of whether it an annual or extraordinary general meeting) shall not be valid if (i) more than half of the submitted B-share votes have voted against such resolution and these together represent no less than half of all the B-shares in the Company at the time of the opening of the general meeting and (ii) at least such number of shareholders which hold B-shares, with regard to number of persons (unique shareholders), that amount to ten (10) per cent of all shareholders which hold B-shares, with regard to number of persons (unique shareholders), at the time of the opening of the general meeting, have voted against such resolution.*

---

<sup>16</sup> The **specific B-share veto** is the veto-mechanism as explained in section 4.4 (*B-shares Voting Minority Rights*) in the Legal Memorandum.

## § 17 Hembud / Post-transfer purchase right <sup>17</sup>

Om en aktie har övergått (oaktat fång) till en ny ägare, som inte är aktieägare i Bolaget, har övriga aktieägare rätt att lösa aktien. Aktiens nya ägare ska snarast anmäla aktieövergången till Bolagets styrelse på det sätt som aktiebolagslagen föreskriver (hembud). Lösen får ske av ett mindre antal aktier än hembudet omfattar. *If a share has been transferred (regardless of the way of transfer) to a new owner, which is not a shareholder in the Company, the other shareholders shall be entitled to purchase the share. The new shareholder shall immediately report the transfer of the share to the Company's board of directors in the manner prescribed in the Swedish Companies Act (post-transfer acquisition right). The purchase may be made for a lesser number of shares than those covered by the post-transfer acquisition right.*

Styrelsen ska genast lämna en underrättelse om hembudet till varje lösningsberättigad med känd postadress. I underrättelsen ska lämnas uppgift om den tid inom vilken lösningsanspråk ska framställas. *The board of directors shall immediately give notice of the post-transfer acquisition rights to each party with a known mailing address who is entitled to purchase the shares. The notice shall contain information regarding the time by which the notice of exercise of post-transfer acquisition rights must be presented.*

Lösningsanspråk ska framställas inom två (2) månader från behörigt hembud enligt ovan. Om lösningsanspråk framställs av fler än en lösningsberättigad, ska aktierna så långt det är möjligt fördelas mellan dessa i förhållande till deras tidigare innehav av aktier i Bolaget. Återstående aktier ska fördelas genom lottning verkställd av Bolagets styrelse. *Notice of exercise of post-transfer acquisition rights must be given within two (2) months from the date of due notice of the post-transfer acquisition right in accordance with the above. Where several parties entitled to exercise post-transfer acquisition rights give notice, the shares shall, to the extent possible, be allocated among them in proportion to the number of shares in the Company that they already hold. Remaining shares shall be allocated by the drawing of lots implemented by the board of directors.*

Lösenbeloppet ska uppgå till SEK en (1) krona oaktat fång. För inlösen ska i övrigt inga andra villkor gälla. *The purchase price shall be SEK one (1) krona regardless of acquisition type. For exercise of post-transfer acquisitions rights, no other conditions shall apply.*

---

<sup>17</sup> This clause grants all shareholders an opportunity **to purchase existing shares from an existing shareholder** in the company, **after** such shareholder have offered these to someone not already a shareholder in the company, a *third party*. If the existing shareholders choose not to exercise their right of post transfer purchase, or otherwise fail to purchase the shares within a set time period, the purchasing (new) shareholder who acquired the shares from the original shareholder is free to retain the shares without any further obligations to the existing shareholders. When selling shares in accordance with the terms of the shareholders agreement and the information available on the TPS website, these rights of other shareholders are waived, and the selling shareholder need not be concerned about the shares being post-transfer purchased.

## SAMTLIGA KOMMUNER SÅSOM SÄRSKILD ORT / ALL MUNICIPALITIES AS SPECIAL LOCATION

<b>Västra Götalands län / Västra Götaland County:</b>	<b>Stockholms län / Stockholm County:</b>	<b>Skåne län / Skåne County:</b>
Ale kommun; <i>Ale Municipality;</i>	Botkyrka kommun; <i>Botkyrka Municipality;</i>	Hässleholm kommun; <i>Hässleholm Municipality;</i>
Alingsås kommun; <i>Alingsås Municipality;</i>	Danderyd kommun; <i>Danderyd Municipality;</i>	Kristianstad kommun; <i>Kristianstad Municipality;</i>
Bengtsfors kommun; <i>Bengtsfors Municipality;</i>	Ekerö kommun; <i>Ekerö Municipality;</i>	Osby kommun; <i>Osby Municipality;</i>
Bollebygds kommun; <i>Bollebygds Municipality;</i>	Haninge kommun; <i>Haninge Municipality;</i>	Sjöbo kommun; <i>Sjöbo Municipality;</i>
Borås stad; <i>Borås City;</i>	Huddinge kommun; <i>Huddinge Municipality;</i>	Östra Göinge kommun; <i>Östra Göinge Municipality;</i>
Dals-Eds kommun; <i>Dals-Eds Municipality;</i>	Järfälla kommun; <i>Järfälla Municipality;</i>	Lund kommun; <i>Lund Municipality;</i>
Essunga kommun; <i>Essunga Municipality;</i>	Lidingö kommun; <i>Lidingö Municipality;</i>	Ängelholm kommun; <i>Ängelholm Municipality;</i>
Falköpings kommun; <i>Falköpings Municipality;</i>	Nacka kommun; <i>Nacka Municipality;</i>	Hörby kommun; <i>Hörby Municipality;</i>
Färgelanda kommun; <i>Färgelanda Municipality;</i>	Norrälje kommun; <i>Norrälje Municipality;</i>	Eslöv kommun; <i>Eslöv Municipality;</i>
Grästorps kommun; <i>Grästorps Municipality;</i>	Nykvarn kommun; <i>Nykvarn Municipality;</i>	Tomelilla kommun; <i>Tomelilla Municipality;</i>
Gullspångs kommun; <i>Gullspångs Municipality;</i>	Nynäshamn kommun; <i>Nynäshamn Municipality;</i>	Simrishamn kommun; <i>Simrishamn Municipality;</i>
Götene kommun; <i>Götene Municipality;</i>	Salem kommun; <i>Salem Municipality;</i>	Svalöv kommun; <i>Svalöv Municipality;</i>
Herrljunga kommun; <i>Herrljunga Municipality;</i>	Sigtuna kommun; <i>Sigtuna Municipality;</i>	Klippan kommun; <i>Klippan Municipality;</i>
Hjo kommun; <i>Hjo Municipality;</i>	Sollentuna kommun <i>Sollentuna Municipality;</i>	Ystad kommun; <i>Ystad Municipality;</i>
Härryda kommun; <i>Härryda Municipality;</i>	Solna kommun; <i>Solna Municipality;</i>	Helsingborg kommun; <i>Helsingborg Municipality;</i>

<sup>18</sup> This Appendix (A) sets out the different municipalities and cities that function as **special locations** in accordance with clause § 14 in the Articles of Association.

Karlsborgs kommun; <i>Karlsborgs Municipality;</i>	Stockholms stad kommun; <i>Stockholms City Municipality;</i>	Trelleborg kommun; <i>Trelleborg Municipality;</i>
Kungälv kommun; <i>Kungälv Municipality;</i>	Sundbyberg kommun; <i>Sundbyberg Municipality;</i>	Örkelljunga kommun; <i>Örkelljunga Municipality;</i>
Lerums kommun; <i>Lerums Municipality;</i>	Södertälje kommun; <i>Södertälje Municipality;</i>	Höör kommun; <i>Höör Municipality;</i>
Lidköpings kommun <i>Lidköpings Municipality;</i>	Tyresö kommun; <i>Tyresö Municipality;</i>	Svedala kommun; <i>Svedala Municipality;</i>
Lilla Edets kommun; <i>Lilla Edets Municipality;</i>	Täby kommun; <i>Täby Municipality;</i>	Båstad kommun; <i>Båstad Municipality;</i>
Lysekils kommun; <i>Lysekils Municipality;</i>	Upplands Väsby kommun; <i>Upplands Väsby Municipality;</i>	Skurup kommun; <i>Skurup Municipality;</i>
Mariestads kommun; <i>Mariestads Municipality;</i>	Upplands-Bro kommun; <i>Upplands-Bro Municipality;</i>	Bromölla kommun; <i>Bromölla Municipality;</i>
Marks kommun; <i>Marks Municipality;</i>	Vallentuna kommun; <i>Vallentuna Municipality;</i>	Perstorp kommun; <i>Perstorp Municipality;</i>
Melleruds kommun; <i>Melleruds Municipality;</i>	Vaxholm kommun; <i>Vaxholm Municipality;</i>	Malmö kommun; <i>Malmö Municipality;</i>
Munkedals kommun; <i>Munkedals Municipality;</i>	Värmdö kommun; och <i>Värmdö Municipality; and</i>	Kävlinge kommun; <i>Kävlinge Municipality;</i>
Mölnåls stad; <i>Mölnåls Municipality;</i>	Österåker kommun. <i>Österåker Municipality.</i>	Höganäs kommun; <i>Höganäs Municipality;</i>
Orust kommun; <i>Orust Municipality;</i>		Vellinge kommun; och <i>Vellinge Municipality; and</i>
Partille kommun; <i>Partille Municipality;</i>		Landskrona kommun. <i>Landskrona Municipality.</i>
Skara kommun; <i>Skara Municipality;</i>		
Skövde kommun; <i>Skövde Municipality;</i>		
Sotenäs kommun; <i>Sotenäs Municipality;</i>		
Stenungsunds kommun; <i>Stenungsunds Municipality;</i>		
Strömstads kommun; <i>Strömstads Municipality;</i>		
Svenljunga kommun; <i>Svenljunga Municipality;</i>		

<p>Tanums kommun; <i>Tanums Municipality;</i></p> <p>Tibro kommun; <i>Tibro Municipality;</i></p> <p>Tidaholms kommun; <i>Tidaholms Municipality;</i></p> <p>Tjörns kommun; <i>Tjörns Municipality;</i></p> <p>Tranemo kommun; <i>Tranemo Municipality;</i></p> <p>Trollhättans stad; <i>Trollhättans City;</i></p> <p>Töreboda kommun; <i>Töreboda Municipality;</i></p> <p>Uddevalla kommun; <i>Uddevalla Municipality;</i></p> <p>Ulricehamns kommun; <i>Ulricehamns Municipality;</i></p> <p>Vara kommun; <i>Vara Municipality;</i></p> <p>Vårgårda kommun; <i>Vårgårda Municipality;</i></p> <p>Vänersborgs kommun; <i>Vänersborgs Municipality;</i></p> <p>Åmåls kommun; och <i>Åmåls Municipality; and</i></p> <p>Öckerö kommun. <i>Öckerö Municipality.</i></p>		
---	--	--

## APPENDIX B - SHAREHOLDERS AGREEMENT

### SHAREHOLDERS AGREEMENT <sup>1</sup>

This shareholders agreement (the “**Agreement**”) is made on the date set out on the signature page of the Investor Signature Package (as defined below) (“**Effective Date**”),

BETWEEN

- (1) **Tree Partner Solutions Management AB**, reg.no. 559360-3318, a company duly incorporated and organised under the laws of Sweden (“**TPS M**”);<sup>2</sup> and
- (2) \_\_\_\_\_, reg. no \_\_\_\_\_, a company duly incorporated and organised under the laws of \_\_\_\_\_ (the “**Investor**”).

the parties listed in (1)–(2), each a “**Party**” and together the “**Parties**”.

WHEREAS

(A) TPS M is the founder of and holds all series A shares in Tree Partner Solutions AB (publ.), reg.no. 559417-5514 (the “**Company**”)

(B) The Investor has on or about the date hereof subscribed for \_\_\_\_\_ series B shares in the Company (the “**Investor Shares**”) by way of signing a subscription list (the “**Subscription List**”) as part of an investor signature package (“**Investor Signature Package**”). TPS M shares Investor Shares together the “**Shares**”.

(C) It is noted that by way of signing the Investor Signature Package the Investor has entered into this Agreement and the Subscription List and the signing of the Investor Signature Package also constitutes a signing of this Agreement and the Subscription List.

(D) The Parties wish to enter into this Agreement to regulate issues regarding the Parties ownership of Shares, the governance of the Company, the sale of Shares.

IT IS AGREED as follows

#### 1 SALE OF INVESTOR SHARES <sup>3</sup>

1.1. The Investor has right to sell Investor Shares subject to what is set out in this Agreement.

1.2. If the Investor wishes to sell, all or part of, its Investor Shares the Investor shall notify the board of directors (Sw. *styrelsen*) of the Company (the “**Board of Directors**”), which shall administrate the transfer of the Investor Shares. The Investor has the right to decide on the identity of the purchaser and the purchase price for the Investor Shares. The Board of Directors shall administer any such sale in accordance

---

<sup>1</sup> A **shareholders agreement** (“**SHA**”) is an agreement between the shareholders, not an agreement between a shareholder and the company. The relationship between the shareholders and the company is regulated primarily by the Swedish Companies Act (Aktiebolagslagen (2005:551) (the “**Companies Act**”) and the Articles of Association. The Companies Act sets out the baseline of corporate governance (Shareholder Meeting – Board of Directors – Managing Director) and shareholders’ rights and duties *visavi* the company, other shareholders and third parties.

<sup>2</sup> **TPS M** is the holder of the majority votes and the management behind the Company. Whenever the SHA states that TPS M has the right or the duty to effect any corporate action in the Company, it is meant to be understood that TPS M *shall cause* the board of directors (or, as applicable, resolve at a shareholders meeting) of the Company to undertake or omit such corporate action.

<sup>3</sup> The **Sale of Investor Shares** will handled according to the procedure set out in this section. The administration of the sale will be made by the Board of directors together with TPS M.

with the administrative routines which it has provided from time to time, in accordance with section 1.3 (the “**Administrative Routines**”).

1.3. TPS M undertakes to ensure that the Board of Directors provides the Administrative Routines and to ensure that the Company’s website shall include, at least:

- (a) correct and updated contact information to the Board of Directors;
- (b) a standardized “application for sale of Investor Shares” form, which is to be filled out by the Investor in order to initiate a transfer in accordance herewith;
- (c) information about sales periods during which the Board of Directors accepts and executes sales respectively;
- (d) information regarding the current valuation of Investor Shares, whereby the valuation provided shall be a reasonable approximation of fair market value according to reasonable and fully transparent valuation principles; and
- (e) miscellaneous administrative routines necessary in order to facilitate sales (such as, but not limited to, different time periods for notices, management of payments etc.).

1.4. TPS M (or such other entity specified by TPS M) has the right to charge the Company, a reasonable management fee for services provided to the Company, in accordance with an agreement that shall be (i) set out in writing, (ii) resolved upon and reviewed by the Board of Directors once per financial year and (iii) made available to the Investor upon request.<sup>4</sup>

1.5. The Board of Directors shall be entitled to charge the Investor a reasonable handling fee for clearing any sale of Shares in accordance with this Section 1 (*Sale of Investor Shares*). The sum of such fee and terms of payment thereof shall be provided in the Administrative Routines.

1.6. The Investor hereby grants full and irrevocable power of attorney to TPS M, or such natural or legal person as TPS M appoints, on behalf of the Investor, to sign all such documents and undertake all such actions as are necessary or desirable in order to execute the sales approved by the Board of Directors according to this Section 1 (*Sale of Investor Shares*).

1.7. The Investor hereby irrevocably waives any rights under right of first refusal clauses, post-transfer purchase rights clauses and consent clauses in the articles of association as applicable from time to time in the Company, if a transfer of shares in the Company is made (i) by any other shareholders with the approval of the Board of Directors, and further more irrevocably refrains from making any claim against any investor on the basis thereof, or (ii) by TPS M. Any breach by the Investor of this Section 1 (*Sale of Investor Shares*) shall be deemed a material breach of this Agreement.<sup>5</sup>

---

<sup>4</sup> TPS M holds the A-shares, appoints the majority of the board and will be the entity that is *de facto* charged with the continuous management of the Company and its affairs, in accordance with the requirements under law, the articles of association, the shareholders agreement, and the stated goals of the Company. When performing these management services TPS M will be entitled to charge the Company a **management fee** as payment. However, to avoid impropriety and conflict of interest the agreement requires that such fee is regulated by an agreement that is reviewed every year by the board (by way of formal board decision) and which is freely available to investors.

<sup>5</sup> In order for the Sale of Investor Shares to not be in conflict with the your rights under the Articles of Association you the investors waive their rights thereunder in the case that a transfer of shares by any investor has been made in accordance with the Shareholders Agreement.



## 2 EXIT AND RESTRUCTURING <sup>6</sup>

2.1. TSP M shall have the right to (i) resolve that the Investor Shares or securities in the Company shall be listed on a stock exchange, trading platform or other recognised market place (“**Exit**”) and (ii) initiate and perform a restructuring whereby the securities hereunder are exchanged for securities in the same, or another, entity provided that such restructuring does not have any material adverse effect for the Investor (and is financially equivalent for the Investor), and this Agreement shall be amended in accordance therewith (“**Restructuring**”).

2.2. The Investor hereby grants TPS M an irrevocable power of attorney, to represent the Investor in relation to an Exit or Restructuring and in relation thereto undertake all actions and measures that can be made by the Investor.

2.3. The Investor undertakes to sign any and all documents and agreements and perform all other measures Partners find necessary or desirable to effectuate any Exit or Restructuring in accordance with what is set out in this Section 1 (*Sale of Investor Shares*).

2.4. In the event of (i) a permitted sale of Investor Shares according to Section 1 (*Sale of Investor Shares*) or (ii) dividends being paid from the Company to the Investor, or (iii) an Exit or Restructuring, the Investor, provided the Investor is not a Swedish registered entity or natural person with tax residency in Sweden, hereby undertakes to make any necessary payments to the Company, in such amount and at such time as TPS M requests, in order to ensure the Company can cover any and all liabilities with regard to withholding tax (sw. *kupongskatt*) as it applies to the Investor’s Shares. It is explicitly agreed that TPS M may request such payment of the Investor before a final decision has been made on applicable withholding tax by the Swedish Tax Agency (sw. *skatteverket*) as regards the Investor’s Shares.<sup>7</sup>

## 3 OPTION EVENT <sup>8</sup>

3.1. The Investor hereby irrevocably and unconditionally grant TPS M a call option to acquire all of the Investor’s Shares (“**Option**”) upon the occurrence of that the Investor commits a material breach to any of its obligations under this Agreement.

3.2. If TPS M notifies the Investor that it wishes to exercise the Option, the Investor shall transfer all of its Shares to TPS M, free from all pledges and other encumbrances. The purchase price shall be SEK 1.

3.3. In order to secure the fulfilment of the Option, the Investor hereby authorizes TPS M to perform all such actions (regardless of any disagreement regarding the applicability of the Option) on behalf of the Investors which are required in order to transfer the Shares under the Option to itself or any third party.

---

<sup>6</sup> A possible outcome of the TPS project is that the company is listed on a stock exchange, becoming publicly traded, this is called an **Exit**, meaning that investors will be able to freely sell their shares on the stock exchange. In that case investor have an undertaking to offer their shares to stock exchange, enabling the company to go public. In such an event TPS M will have a power-of-attorney to ensure that all documents that must be signed by the Investor may be signed. There is also the possibility that the company may be merged through a share exchange, and provided this can be done without adverse effect for investors, TPS M may undertake the necessary actions to effect such a transaction as well. However a so-called *drag-along* clause, ensuring that investors sell their shares in what is known as a “trade sale”, i.e., a third party purchasing a majority of the outstanding shares in the company, has not been included. Meaning that a trade sale would require the active participation of a majority investors.

<sup>7</sup> Certain non-Swedish investors’ sale of shares will be subject to **withholding tax** from the Swedish Tax Agency. In that case the Company may be required to pay such tax to the Tax Agency. This language ensures that Investors finance their own tax costs without detriment to the Company or other investors.

<sup>8</sup> This section regarding **option event** is constructed so that you may be required to sell your shares if you commit a material breach to the SHA. A material breach is when you fail to uphold your end of the SHA in meaningful way with regard to central part of the SHA (such as selling your shares with first getting board approval). Breach of superficial term or condition will not trigger an option event.

## 4 PLEDGE <sup>9</sup>

4.1. The Investor hereby irrevocably and unconditionally pledges to TPS M all of its title rights to and interest in the Investor Shares held by the Investor from, time to time, as security for the due and punctual performance by the Investor of its obligations and undertakings under this Agreement. The pledge shall remain valid and enforceable until this Agreement ceases to apply to TPS M and all their obligations hereunder are fulfilled. The Parties shall ensure that the Company is informed of the pledge to TPS M.

4.2. TPS M has the right to immediately undertake any such actions which it deems necessary or desirable in order to recover the pledged assets, including a sale (according to such method as TPS M deems fit) of all or part of the Investor Shares to TPS M or such party as is appointed by TPS M, without undertaking such sale in accordance with the procedure set out in Chapter 10 Section 2 of the Swedish Commercial Act (1736:0123) (Sw. *handelsbalken*). The Investor hereby waives its rights to make any claim against TPS M for any damage caused by the exercise of its rights under this Section 4 (*Pledge*), except damage caused through gross negligence (Sw. *grov vårdslöshet*) or intent.

4.3. The Investor hereby grants full and irrevocable power of attorney to TPS M, or such natural or legal person as TPS M appoints, on behalf of the Investor, sign all such documents and undertake all such actions as are necessary or desirable in order to execute the actions set out in this Section 4 (*Pledge*).

## 5 MISCELLANEOUS

5.1. This Agreement, and the rights and obligations hereunder, may not be assigned or transferred by the Investor without the prior written consent of TPS M.

5.2. The Investor hereby consents to any new issuance resolved (regardless of whether such issuance is made with shareholders pre-emption rights or not) by the Company in order to ensure that TPS M holds a majority of the votes in the Company at any given point, provided such issuance only includes series A shares. <sup>10</sup>

5.3. This Agreement shall enter into force on the date hereof and shall remain valid until 31 December 2038. The Agreement shall thereafter be extended and renewed for a term of one (1) year each time, unless terminated by a Party in writing at least six (6) months prior to the expiry of the original term or any extension thereof. However, TPS M is entitled to terminate this Agreement with immediate effect in the event of a material breach of any requirements and obligations under this Agreement. This section 5 and 6 (*Governing law and disputes*) shall however survive, and continue in full force and effect after, the expiry or termination of this Agreement.

## 6 GOVERNING LAW AND DISPUTES <sup>11</sup>

6.1. This Agreement, and any non-contractual obligations arising in relation hereto, shall be governed by and construed in accordance with the substantive laws of Sweden, without regard to its conflict of law rules and principles.

6.2. Any dispute, controversy or claim arising out of or in connection with this Agreement, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce (the “**Institute**”), unless the Institute, taking into account the complexity of the case, the amount in dispute and other circumstances, determines, in its discretion, that the Rules of the Institute shall apply. In the latter case,

---

<sup>9</sup> When pledging your shares to TPS M it means you provide the shares to TPS M *as security* for your undertakings under this agreement. This allows TPS M to take possession of investors shares in the event of an investors material breach (see footnote 8) and that an Investor cannot stop important procedures (for example a stock exchange listing) by simply refusing to sign documents.

<sup>10</sup> This section permits TPS M to issue new A-shares, which have no economic rights, to itself, in order to maintain voting majority in the company as new B-shares are issued going forward.

<sup>11</sup> This section states that **Swedish law** will be used to understand and apply the terms of this agreement. If there is any conflicts arising in relation to this agreement, it will be resolved through arbitration by the Arbitration Institute in Stockholm.

the Institute shall also decide whether the arbitral tribunal shall be composed of one (1) or three (3) arbitrators, to be appointed by the Institute. The place of arbitration shall be Stockholm, Sweden. The arbitral proceedings shall be conducted in the Swedish language.

---

# Study of biological assets value for Better Globe Forestry

June 2022

***Please note:*** This executive summary is provided by the board of directors of Tree Partner Solutions AB (publ) to Investors for information purposes only. Investors may not rely on this information, and the following in no way constitutes any representation or warranty, expressed or implied, as to the accuracy or completeness of such information. Please read the full disclaimers and limitations at the end of next page before you continue.

## Notes to this study

Introductory notes to this study and underlying report:

The key assumptions of tree count, DBH sample measurements have been assumed to be and included as factual, reliable and set values provided by Better Globe Forestry (BGF). DGB has not been able to independently verify these values.

This report contains a valuation of biological assets of the BGF assets under management. This report is not, or does not contain a valuation of the company, organization, or business model by BGF.

This report contains no assumptions on future price developments. For any EUR valuation in the future, today's assessed market price has been used in calculations. The valuation of the assets also does not include any potential effect or insurance provision for (natural) hazards, such as fire, drought, flooding, pests etc.

## Executive summary

- Better Globe Forestry (BGF) has been in operations in Kenya since 2004, and produces timber across multiple locations in woodlots as well as with individual farmers. BGF has focused on the planting and growing of 2 species of Melia (m. volkensii and m. azedarach), whereby m. volkensii is native to the region. Taxonomically, Melia can be classified as being close to various species labeled as 'African Mahogany'
- In 2021 BGF adopted the industry standard of valuation of commercial timber for its plantations by volume (m3). Before 2021 the valuation of the timber was based on costs per tree vs the PV of the market price.
- Per end 2021, ±87% of ±3million trees under management is on farmers lands, 13% is on BGF controlled plantation lands (woodlots).
- The formula for the valuation of the commercial timber used is: Value (EUR) = volume (V)(in m3) \* market price (P) in year 20 (n=20), whereby the volume (V) = diameter at breast height (DBH) \* height (h) (of commercially relevant part of the tree). For some sites n=15.
- DBH measurements for the same tree ages can vary across locations, as variation in growth conditions can lead to variation in DBH for the same tree/same age, producing different volume outcomes, and therefore a different overall valuation. Therefore, growth conditions are key in understanding the valuation of the biological assets going forward.
- Given lack of transparent market, BGF price point of Melia used is deemed reasonable, but a (slight) revaluation of value/m3 in early age years of trees is recommended where by the full market price per m3 is reached between 3-6 years of age (m. volkensii vs. m. azedarach)
- The report contains a valuation per Dec 2021 and a valuation per Dec 2027.
- The current value of biological assets is estimated at 41.7M EUR per Dec 2021 based on trees existing per Dec 2021.
- For the valuation per Dec 2027, the biological assets have been categorized into 8 separately valued categories based on site location and timing of tree planting. There are 4 sites, each with their own growth conditions, and each site has 2 subcategories: trees that have already been planted and are existing per Dec 2021, and trees that are planned to be planted after Dec 2021. Key is to understand how the different categories will accumulate biomass going forward.
- Each category accumulates biomass at its own rate. There are 3 identified growth rates: 1) the baseline 1 growth rate which is based on existing sampled data, 2) the adjusted baseline 1 growth rate which is the baseline 1 growth curve, but with growth curve improving measures undertaken by BGF going forward such as (delayed) thinning and pruning, and 3) the baseline 2 growth rate which is the growth curve for newly planted trees which have the potential to benefit from all the growth curve improving measures from the start.
- The combination of the site \* the site subcategory (time of planting) \* growth rate \* market price (including the adjustment per m3 for first years of growth) leads to 2 sets of scenarios for the valuation per end 2027:

- The first set is the valuation of biological assets already planted/existing per Dec 2021. These are the trees that are already planted in 2021 and continue to grow until 2027. The conservative scenario is (total value of biological assets per end 2027 = 365M EUR).

To achieve maximum realised value of the total BGF assets, it is critical to monitor closely and accurately the development of growth at Dokolo site, and prepare for early operational interventions in case of witnessed deviations from expected growth curves.

**\*\*\*Disclaimers and limitations\*\*\***

*This information provided in this Appendix C (the "**Information**") has been prepared by an external consultant for Tree Partners Solutions AB ("**TPS**") for internal purposes only, and is being provided to Investors on the sole initiative of TPS.*

*This Information, and any accompanying material is provided to the investors by TPS or in relation hereto for information purposes only. This Information is not intended to form the basis of an investment decision, nor is it an offer, invitation or recommendation to sell, swap or solicitation of an offer to buy any securities.*

*This Information does not purport to be all-inclusive nor does it contain all the information that you, as a prospective investor might, desire in deciding whether to proceed with the swap. No representation or warranty, expressed or implied as to the accuracy or completeness of the Information, including, but not limited to, financial information included herein, or in any other written or oral communication transmitted or made available to the Investors, is made. Any responsibility or liability for any such information is expressly disclaimed. No one may rely upon the information set out herein for any purpose, including a decision to participate in the swap described elsewhere in this Information Package.*

*This Information may contain forward-looking statements. These statements are not guarantees of future performances and are subject to inherent risks and uncertainties. Forward-looking statements may be identified by the fact that they do not relate strictly to historic or current facts and may include words such as "may", "will", "expects", "believes", "projects", "plans", "intends", "estimates", "anticipates", "targets", "forecasts", "seeks", "could" or the negative of such terms or comparable terminology. Forward-looking statements include, but are not limited to, statements about the expected future business of the Company. These statements reflect estimates of certain (but not all) possible scenarios included in the Information, based on information currently available and are subject to various assumptions, as well as risks and uncertainties that may be outside of its control. Actual results could differ materially from those expressed or implied in such forward-looking statements. Any such forward-looking statements are based only on conditions as of the date on which they are made and TPS shall be under no obligation to update or alter such forward-looking statements whether as a result of new information, future events or otherwise, except to the extent legally required.*

*Neither TPS, nor DGB Group N.V. nor any of its shareholders, boards, directors, officers, employees, partners, advisors, agents, associates or other representatives shall be liable (including in negligence) for any direct, indirect, or consequential losses, damages, costs, or expenses arising out of or in connection with the use of or reliance on this Information or any information contained herein or disclosed or delivered herewith.*

*Investment involves risk. As a general rule, you should only trade in financial products that you are familiar with and understand the risk associated with them. You should carefully consider your investment experience, financial situation, investment objective, risk tolerance level and consult your independent financial adviser as to the suitability of your situation prior making any investment. Upon participating in the swap you are choosing to purchase securities. The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities.*

---