

## NOTICE OF ANNUAL GENERAL MEETING IN ARJO AB

The shareholders of Arjo AB (publ), Reg. No. 559092-8064, are hereby invited to attend the Annual General Meeting (the “**AGM**”) to be held on Tuesday 7 May 2019 at 11.00 a.m. CET, in Luftkastellet, Utsiktsvägen 10, Malmö, Sweden.

### RIGHT TO ATTEND

Shareholders who wish to attend the AGM must:

- be recorded in the share register kept by Euroclear Sweden AB (*the Swedish Central Securities Depository*), on Tuesday 30 April 2019, and
- notify the company of their intention to attend the AGM by Tuesday 30 April 2019, preferably before 4.00 p.m. CET.

In order to participate in the AGM, shareholders with nominee-registered shares should request their bank or broker to have the shares temporarily owner-registered with Euroclear Sweden AB by Tuesday 30 April 2019. Therefore, shareholders are requested to notify their nominees in due time before the said date.

### NOTICE OF ATTENDANCE

Notice of attendance shall be made in writing to Arjo AB, “AGM”, c/o Euroclear Sweden, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by telephone +46 10-335 47 00, or on the company’s website, [www.arjo.com](http://www.arjo.com). The notice of attendance shall state name, personal (or corporate) identity number, shareholding, telephone number and name of advisor, if any. An entrance card to be shown when registering for the AGM will be sent in confirmation of the notice of attendance. Shareholders represented by proxy should submit a power of attorney to the company before the AGM. A proxy form is available at the company and on the company’s website, [www.arjo.com](http://www.arjo.com). Representatives of a legal entity shall present a copy of the certificate of registration or similar document of authorisation.

### PROPOSAL FOR AGENDA

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of person(s) to approve the minutes
6. Determination of compliance with the rules of convocation

7. Presentation of
  - (a) the Annual Report and the Auditor's Report
  - (b) the Consolidated Accounts and the Group Auditor's Report
  - (c) the statement by the auditor on the compliance of the Guidelines for Remuneration to Senior Executives applicable since the last AGM
  - (d) the Board's proposal for distribution of the company's profit and the Board's reasoned statement thereon
8. Report on the work of the Board of Directors, including the work and functions of the Remuneration Committee and the Audit Committee
9. The CEO's report
10. Resolution regarding adoption of the Income Statement and the Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet
11. Resolution regarding dispositions in respect of the Company's profit according to the adopted Balance Sheet and determination of record date for dividend
12. Resolution regarding discharge from liability for the Board of Directors and the CEO
13. Establishment of the number of Board members and auditors
14. Establishment of fees to the Board of Directors (including fees for work in Committees) and the auditor
15. Election of the Board of Directors and Chairman of the Board
  - (a) re-election of Johan Malmquist;
  - (b) re-election of Carl Bennet;
  - (c) re-election of Eva Elmstedt;
  - (d) re-election of Ulf Grunander;
  - (e) re-election of Carola Lemne;
  - (f) re-election of Joacim Lindoff;
  - (g) new election of Dan Frohm; and
  - (h) re-election of Johan Malmquist as Chairman of the Board
16. Election of auditor
17. Resolution regarding Guidelines for Remuneration to Senior Executives
18. Closing of the Meeting

#### **PROPOSALS BY THE NOMINATION COMMITTEE (item 2 and 13-16)**

The Nomination Committee in respect of the 2019 AGM has comprised Carl Bennet (*Chairman of the Committee; Carl Bennet AB*), Per Colleen (*Fjärde AP-fonden*), Marianne Nilsson (*Swedbank Robur Fonder*), Maria De Geer as representative for the minor shareholders and the Chairman of the Board of Directors Johan Malmquist.

The Nomination Committee has proposed the following:

**Chairman of the AGM:** The Chairman of the Board, Johan Malmquist, shall be elected Chairman of the AGM.

**Board of Directors:** The number of Board members elected by the General Meeting shall be six, without deputy members. Johan Malmquist, Carl Bennet, Eva Elmstedt, Ulf Grunander, Carola Lemne and Joacim Lindoff shall be re-elected as Board members and Dan Frohm shall be elected as Board member. Johan Malmquist shall be re-elected as Chairman of the Board.

**Board member proposed for new election:**

**Dan Frohm**, born 1981 and holds a M.Sc. in Industrial Engineering and Management from Linköping University. Dan Frohm is an experienced advisor for global technology companies on a variety of strategic and operational improvement topics and has previously worked as Senior Manager and Practice Head of Technology, Media and Telecom (TMT) at the management consultancy Applied Value LLC based in New York. Dan Frohm currently serves as board member of Getinge AB (publ), Carl Bennet AB and Elanders AB (publ) and is the CEO of DF Advisory LLC. Dan Frohm holds 153,849 shares in Arjo.

**Board and committee fees:** Board fees, excluding remuneration for committee work, shall amount to a total of SEK 4,330,000, of which, SEK 1,380,000 (1,150,000) to the Chairman and SEK 590,000 (575,000) to each of the other Board members elected by the General Meeting who are not employees of Arjo Group. Work in the Audit Committee shall be compensated with SEK 246,000 (240,000) to the Chairman and SEK 123,000 (120,000) to each of the other members. Work in the Remuneration Committee shall be compensated with SEK 128,000 (125,000) to the Chairman and SEK 94,000 (92,000) to each of the other members.

**Auditor:** The registered auditing company Öhrlings PricewaterhouseCoopers AB shall be re-elected as auditor for the period until the end of the 2020 AGM in accordance with the Audit Committee's recommendation. If elected, Öhrlings PricewaterhouseCoopers AB has informed that Magnus Wilfors will be auditor-in-charge. Fees to the auditor shall be paid in accordance with approved invoices.

**DIVIDEND (item 11)**

The Board and the CEO have proposed that a dividend of SEK 0.55 per share be declared. As record date for the dividend the Board proposes Thursday 9 May 2019. If the

AGM resolves in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB starting Tuesday 14 May 2019.

### **THE BOARD'S PROPOSAL REGARDING GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES (item 17)**

The Board proposes that the AGM resolves upon guidelines for remuneration to senior executives principally entailing the following. Arjo shall have the remuneration levels and terms of employment deemed necessary to recruit, motivate and retain a management team with the right competence and capacity to achieve set goals. The total remuneration to senior executives shall comprise fixed salary, variable remuneration, pensions and other benefits. The variable remuneration shall be capped and linked to predetermined and measurable criteria elaborated with the purpose to promote the long-term added value of the company. In addition to the variable remuneration, approved share or share-related incentive programs may occasionally be implemented. The Board shall retain the right to deviate from the guidelines if motivated by particular reasons on an individual basis.

### **DOCUMENTS AND OTHER INFORMATION**

Financial statements, Auditor's Report and other documents pursuant to item 7, the Board's reasoned statement under item 11 and the complete proposal of the Board for the resolution under item 17 will be available at the company and on the company's website, [www.arjo.com](http://www.arjo.com), as from Tuesday 16 April 2019 at the latest and will be sent to shareholders upon request. Copies will also be available at the AGM.

The Board and the CEO shall at the AGM, if any shareholder so requests and the Board believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial position and the company's relation to other companies within the Group.

The total number of shares in the company amounts to 272,369,573, where of 18,217,200 shares of series A and 254,152,373 shares of series B. The total number of votes in the company amounts to 436,324,373.

### **PROCESSING OF PERSONAL DATA**

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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Malmö in March 2019

**The Board of Directors of Arjo AB (publ)**