

Malmö, Sweden, April 1, 2019

## Notice Convening the AGM of Beijer Electronics Group AB (publ)

*The shareholders of Beijer Electronics Group AB (publ) are hereby convened to the Annual General Meeting (AGM), which will be held at 4 p.m. on Wednesday, May 8, 2019 at Malmö Börshus, Skeppsbron 2, in Malmö, Sweden.*

### Entitlement to participate at the Meeting:

Shareholders entitled to participate at the Meeting shall

- *Firstly*, be included in the share register maintained by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organization) on Thursday, May 2, 2019;
- *Secondly*, have notified the company of their intention to participate, and the number of assistants they wish to bring, by no later than Thursday, May 2, 2019.

Notifications, which shall state the shareholders' name, personal or corporate identity number, shareholding, address, telephone number and potential proxies/assistants are submitted via the company's website, [www.beijergroup.com](http://www.beijergroup.com), by telephone on +46 (0)40 35 86 44, by e-mail [arsstamma@beijergroup.com](mailto:arsstamma@beijergroup.com) or by mail to Annika Johnsson, Beijer Electronics Group AB (publ), Box 426, 201 24 Malmö, Sweden (please mark the envelope 'AGM').

Shareholders may participate by proxy. If a shareholder is represented by proxy, a power of attorney and certificates of incorporation or equivalent documentation stating authorized signatories should be sent to the company by no later than May 2, 2019. Power of attorney forms are available from the company's website and is sent to shareholders who so request.

In order to participate at the meeting, shareholders with nominee-registered holdings must temporarily register their shares in their own name. Shareholders should notify their nominee of such temporary re-registration in good time before May 2, 2019.

### Business/proposed agenda

1. Election of a Chairman of the Meeting
2. Preparation and approval of the voting list
3. Approval of the agenda
4. Appointment of two people to verify the minutes
5. Consideration of whether the Meeting has been duly convened
6. Review of the work of the Board of Directors
7. Statement by the Chief Executive Officer
8. Submission of the annual accounts and audit report and the consolidated accounts and consolidated audit report
9. Resolutions in the matters of:
  - a) Adopting the Income Statement and Balance Sheet and the Consolidated Income Statement and Consolidated Balance Sheet
  - b) Appropriation of the company's profits pursuant to the adopted Balance Sheet
  - c) Discharging the Board members and Chief Executive Officer from liability
10. Determining the number of Board members

11. Determining fees to the Board of Directors and Auditors
12. Electing the Board of Directors
13. Electing the Auditors
14. Resolution on instruction for the Nomination Committee
15. Resolution regarding remuneration guidelines for senior managers
16. Resolution on authorization for the Board of Directors to take decisions on new share issues
17. Resolution on (A) implementation of a long-term share based incentive program (LTI 2019/2022) and (B) hedging including resolution on (1) authorization for the Board of Directors to resolve decisions on a directed issue of series C shares, (2) authorization for the Board of Directors to repurchase all issued series C shares and (3) transfer of own ordinary shares to participants in LTI 2019/2022
18. Resolution on amendment of the Articles of Association
19. Closing the Meeting

#### Item 1 Electing a Chairman of the Meeting

The Nomination Committee proposes that Bo Elisson is elected Chairman of the Meeting.

#### Item 9 b. Dividends

The Board of Directors proposes ordinary dividends of SEK 0.50 per share for the financial year 2018.

The proposed record date for dividends is May 10, 2019. Dividends are scheduled for disbursement from Euroclear Sweden AB on May 15, 2019.

#### Items 10-13 Proposals for resolutions regarding the number of Board members, Directors' and Auditors' fees and election of the Board of Directors and Auditors

Apart from Chairman of the Bo Elisson, the following shareholders were members of the Nomination Committee: Stena Sessan, represented by Martin Svalstedt (Chairman and convener), Nordea Fonder, represented by Bengt Belfrage, SEB Fonder, represented by Per Trygg and Svolder, represented by Ulf Hedlundh.

Shareholders representing over 65 per cent of the share capital and voting rights of the company have reported that they will be supporting the following proposals at the Meeting:

##### *Item 10*

- That the Board of Directors shall consist of five members with no deputies.

##### *Item 11*

- That fees of SEK 500,000 will be payable to the Chairman of the Board, and that fees of SEK 225,000 will be payable to each of the other Board members.
- That fees of SEK 75,000 will be payable to the Chairman of the Board for work in the audit committee, and that fees of SEK 50,000 will be payable to each of the other Board members for work in such committee.
- That fees of SEK 50,000 will be payable to the Chairman of the Board for work in the remuneration committee, and that fees of SEK 50,000 will be payable to each of the other Board members for work in such committee.
- That fees to Auditors will be payable according to approved account.

*Item 12*

- re-election of Board members Bo Elisson, Ulrika Hagdahl, Johan Wester, Karin Gunnarsson and Lars Eklöf.
- Election of Bo Elisson as Chairman of the Board.

*Item 13*

- Appointment of the registered public accounting firm, Öhrlings PricewaterhouseCoopers AB, Malmö, as the company's auditor until the close of the AGM 2020. The Chief Auditor will be Sofia Götmar-Blomstedt.

**Item 14 Resolution on instruction for the Nomination Committee**

The Nomination Committee proposes that the AGM decides on the following instruction for the Nomination Committee.

The Company shall have a Nomination Committee consisting of members appointed by the four largest shareholders together with the Chairman of the Board. The Chairman of the Board shall be adjunct in the Nomination Committee. The largest shareholders will be contacted by the company's Chairman of the Board on the basis of the company's list of registered shareholders as of the last banking day in August, provided by Euroclear Sweden AB.

After the owners have been contacted, they should within 14 days notify whether they wish to participate in the Nomination Committee. If any of the four largest shareholders waives their right to appoint a member of the Nomination Committee, the next shareholder in the ownership size will be given an opportunity to appoint a member and shall, within one week, submit a notice of participation. The names of the four representatives and the names of the shareholders who proposed them shall be published as soon as the Nomination Committee has been appointed, but no later than six months before the AGM. If at this time, no four owners have notified the wish to participate in the Nomination Committee, the Nomination Committee will then consist of fewer members.

The Nomination Committee's term of office runs until its new Nomination Committee is appointed.

The Chairman of the Nomination Committee shall, unless the members agree otherwise, be the member appointed by the largest shareholder. The Nomination Committee's first meeting shall, however, be opened by the chairman of the company. If a member leaves the Nomination Committee before its work is completed, the owner who appointed this member has the right to appoint a new member. Fees shall not be paid from the company to the members of the Nomination Committee.

In the event of a material change in the company's ownership structure and a shareholder who, after this significant ownership change, has become one of the three largest shareholders, wishes to be included in the Nomination Committee, the Nomination Committee shall offer this place in the Nomination Committee by either deciding that this shareholder shall replace the, by votes, smallest shareholder in the Nomination Committee after the change, or decide to extend the Nomination Committee with another member, but with a maximum of five members. Should any of the members of the Nomination Committee, before the Nomination Committee's mission is completed, resign for another reason or cease to represent the shareholder who appointed the member, such member, if the appointed member so requests, shall be replaced by a new member appointed by the shareholder. Changes in the Nomination Committee's composition shall be announced as soon as such has taken place.

The Nomination Committee shall prepare and submit following proposals to the AGM:

- election of Chairman of the meeting,
- election of the Chairman of the Board and other members of the Board of Directors,
- Board fees divided between the Chairman and other members as well as remuneration for committee work,
- election and remuneration to the auditor and deputy auditor (if applicable), and
- principles for the appointment of Nomination Committee.

The Nomination Committee shall be entitled to charge the Company with expenses for, for example, recruitment consultants and other consultants required for the Nomination Committee to fulfil its mission. In conjunction with its mission, the Nomination Committee shall, in addition, fulfil the tasks that the Swedish Code of Corporate Governance requires.

#### Item 15 Resolution regarding remuneration guidelines for senior managers

The Board of Directors proposes that the AGM adopts the following guidelines for remunerating senior managers. Senior managers mean the group management including the CEO. Guidelines for remuneration also apply to directors' compensation for work undertaken outside their directorship. The proposal is designed to enable Beijer Electronics Group to offer market remuneration that can attract and retain skilled employees to the corporate management in a global perspective.

- Remuneration issues are considered by the Remuneration Committee and submitted to the Board of Directors for decision each year. Total remuneration includes basic salary and performance-related pay. Pension and other customary benefits are additional.
- Basic salary, which is individually set and differentiated on the basis of individual responsibilities and performance, is determined on the basis of market principles and reviewed yearly.
- The performance-related component is based on the achievement of predetermined goals. These goals relate to the company's profit performance and other key change goals. For the CEO and other senior managers, the yearly performance-related component may amount to a maximum of six months' salary.
- The CEO's pension is defined contribution and becomes due at age 65. Defined contribution pension agreements on market terms are in place for both the CEO and other senior managers.
- If the CEO's employment is terminated by Beijer Electronics Group, the CEO has an 18-month notice period. No other remuneration upon termination has been agreed. If other senior managers' employment is terminated by the company, a notice period of a maximum of 12 months has been agreed.
- Board members who carry out work on behalf of Beijer Electronics Group outside the terms of their directorship are entitled to receive consulting fees at market rates.
- At the AGM in 2018, the AGM decided to implement a long-term share based incentive program LTI 2018/2021. The Board of Directors have now proposed the implementation of an additional long-term share based incentive program (LTI 2019/2022) for senior managers and key employees, to be separately resolved under item 17 below. The mentioned incentive programs are not part of these remuneration guidelines.
- The Board of Directors is entitled to depart from the guidelines resolved by the AGM if there are special circumstances in individual cases.

**Item 16 Resolution on authorization for the Board of Directors to reach decisions on new share issues**

The Board of Directors proposes that the AGM resolves to authorize the Board of Directors to decide on the new issue of a maximum of 2,860,137 ordinary Shares on one or more occasions before the next AGM.

The proposal means that the Board of Directors would be authorized to decide on the new share issue with stipulations on issue in kind, set-off or subject to other terms stated in Chap. 13 § 5 para. 1 cl. 6p of the Swedish Companies Act, and waiving shareholders' preferential rights. The Board of Directors will be entitled to stipulate other terms for the share issue, including issue price, which however, shall be based on market terms.

The purpose of this authorization is to enable the company to issue shares to guarantee funds for purchase prices related to the acquisition of other companies, parts of companies, or other assets the Board of Directors judges to be valuable to the company's operations. Full utilization of this authorization would correspond to dilution of some 10 per cent of the share capital and votes.

Resolution pursuant to the Board of Directors' proposal requires the AGM's resolution being supported by shareholders representing at least two-thirds of the votes cast and shares represented at the Meeting.

**Item 17 The proposal of the Board of Directors of (A) implementation of a long-term share based incentive program for (LTI 2019/2022) and (B) hedging in order to implement the program**

**(A) Implementation of a long-term share based incentive program LTI 2019/2022**

The Board of Directors proposes that the AGM resolves on implementation of a long-term share based incentive program ("LTI 2019/2022") on essentially following terms and conditions. LTI 2019/2022 measures the performance 2019, but has a three year duration. It is the Board of Directors' intention that the structure of LTI 2019/2022 should be long-term, thus the Board intends to propose that the general meetings in the next years will resolve upon similar incentive programs, after the program has been evaluated. The program proposed below, corresponds to the long-term share based incentive program LTI 2018/2021 (adopted by the AGM 2018), in all material respects.

It is proposed that LTI 2019/2022 shall comprise not more than 20 employees within the Beijer Electronics Group, including the CEO, the Group management (at present five persons excluding the CEO), business management and other key employees. The program shall comprise a maximum of 250,000 ordinary shares in Beijer Electronics Group ("Performance Shares"). In order to receive Performance Shares it is required that the Performance Conditions established by the Board of Directors regarding the financial year 2019 are achieved or exceeded. Performance Shares will be received free of charge, whereby the CEO may receive a maximum of 30,000 Performance Shares and another member of the Group management and other participants may receive up to a maximum of 15,000 Performance Shares, whereby the Board of Directors resolves on the individual allocation within this framework. In order to participate in the program, the participant must no later than 1 September 2019 own Beijer Electronics Group shares. The participant must either acquire shares in the company corresponding to the maximum number of Performance Shares that the participant is entitled to receive, or acquire shares in the company corresponding to half of the maximum number of Performance Shares that the participant is entitled to receive, whereby the participant will receive half of the vested number of Performance Shares. The participant must retain the shares at least until 31 August 2020. If the participant does not acquire own shares or not retain the acquired shares during the specified period, the participant will not receive any Performance Shares.

The performance conditions that have to be achieved or exceeded relate to (i) operating profit, (ii) earnings per share, (iii) free cash flow and (iv) new orders (the "Performance Conditions"). The Performance Conditions are measured based on the outcome during the period 1 January 2019- 31 December 2019 (the "Performance Period"). The Board of Directors resolves on the Performance Conditions before LTI 2019/2022 is offered to the participants. The Board of Directors intends to inform about the determined Performance Conditions and the achievement of them in connection with the publication of the year-end report for 2019. The participants receives vested Performance Shares after the AGM 2022, before 1 July 2022 (the "Allotment Day").

## (B) Hedging

In order to implement LTI 2019/2022 in a cost-effective and flexible manner, the Board of Directors proposes that the undertakings of the company for delivery and costs referable to Performance Shares primarily shall be secured by a directed issue of convertible and redeemable C shares followed by repurchase and conversion to ordinary shares and a resolution on transfer of own ordinary shares to senior executives in accordance with the following.

### *(1)-(3) Authorizations and transfer of own ordinary shares*

The Board of Directors propose that the AGM resolves to authorize the Board of Directors to resolve on a directed issue of redeemable and convertible series C shares in the company on the following terms and conditions.

- The maximum number of series C shares to be issued shall amount to 330,000. The authorization may be exercised on one or several occasions until the AGM 2020. With deviation from the shareholders' preferential rights, the new shares may be subscribed for only by one external party after arrangement in advance. The amount to be paid for each new share (the subscription price) shall equal the share's quota value at the time of subscription. The new series C shares shall be subject to Chapter 4, Section 6 of the Swedish Companies Act (conversion restriction) and Chapter 20, Section 31 of the Swedish Companies Act (redemption restriction).

Further, the Board of Directors propose that the AGM resolves to authorize the Board of Directors to repurchase all issued redeemable and convertible series C shares in the company on the following terms and conditions.

- Repurchase may take place by way of an acquisition offer directed to all holders of series C shares in Beijer Electronics Group. The authorization may be exercised on one or several occasions until the AGM 2020. The maximum number of series C shares to be repurchased shall amount to 330,000. Repurchase shall be made at a price per share of minimum 100% and maximum 115% of the quota value applicable at the time of subscription. Payment of repurchased shares shall be made in cash. The Board of Directors shall have the right to resolve on other terms and conditions for the repurchase. Repurchase may also be made of a so-called interim share, by Euroclear Sweden AB designated as a Paid Subscribed Share (*Sw. Betald Tecknad Aktie (BTA)*), regarding a series C share.

Finally, the Board of Directors propose that transfer of own ordinary shares to participants in LTI 2019/2022 shall be made on the following terms and conditions.

- A maximum number of 250,000 Beijer Electronics Group shares may be transferred free of charge to participants in LTI 2019/2022. With deviation from the shareholders' preferential rights, the right to acquire Beijer Electronics Group shares free of charge shall comprise employees in the Group participating in LTI 2019/2022, with a right for each of the participants to acquire the maximum number of shares stipulated in the terms and

conditions of LTI 2019/2022. Transfer of Beijer Electronics Group shares shall be made free of charge at the time for, and according to the terms for, the allotment of Beijer Electronics Group shares to participants in LTI 2019/2022. The number of Beijer Electronics Group shares that may be transferred under LTI 2019/2022 shall be recalculated due to any intervening bonus issue, split, preferential issue and/or similar corporate actions.

#### *Others*

The maximum number of Performance Shares that may be allotted to the participants under LTI 2019/2022 amounts to 250,000, which corresponds to approximately 0.9 per cent of the share capital and votes in the company after dilution. Aggregated with the maximum number of additional shares that may be transferred, which mainly consists of cash flow related hedging of costs for social security contributions, LTI 2019/2022 will comprise not more than 330,000 shares and the maximum dilution of the program will amount to approximately 1.1 per cent of the share capital and votes in Beijer Electronics Group after dilution.

Based on the assumption of a stock market price of SEK 50, the total costs for LTI 2019/2022 are estimated to approximately MSEK 16.4 provided that the Performance Conditions are fully met. Of these costs, approximately MSEK 12.5 relates to accounting (not affecting cash) costs calculated in accordance with IFRS 2. Other costs mainly relates to calculated social security contributions, which are hedged through the issue of series C shares. Given the full-year result of 2018, the costs for LTI 2019/2022 would have a negative effect of approximately 0.4 percentage units on Beijer Electronics Groups' operating margin and a reduction of profit per share of approximately SEK 0.21, provided that the Performance Conditions in the cost estimate above are fully achieved.

The resolution of the AGM to implement LTI 2019/2022 in accordance with section A above is conditional upon the hedging activities in section B above. In order for the resolution by the AGM on implementation of LTI 2019/2022 to be valid, the Board of Directors' proposal under section A must be supported by shareholders representing at least nine-tenths of both the votes cast and shares represented at the AGM.

LTI 2019/2022 has been initiated by the Board of Beijer Electronics Group and prepared in consultation with the major shareholders and external advisors.

#### **Item 18 Resolution on amendment of the Articles of Association**

The Board of Directors proposes that the AGM resolves on amendment of the Articles of Association, meaning that the Board of Directors shall consist of not less than four (previously five) and not more than seven members without deputies.

Proposal for new wording of § 6 of the Articles of Association:

“The Board of Directors shall consist of not less than four members and not more than seven members, with no deputies. The members shall be elected annually at the Annual General Meeting of shareholders for the time until the end of the next Annual General Meeting of shareholders.”

The Board of Directors' proposal under items 16–18 above also include authorization for the CEO to make such minor amendments to the AGM resolutions that may be necessary for registering these resolutions with the Swedish Companies Registration Office.

## Number of shares and votes

As of March 29, 2019 the number of ordinary shares of the company amount to 28,601,379 with each one vote, corresponding to 28,601,379 votes and the number of C shares amount to 184,723 with each one-tenth of a vote, corresponding to 18,472.3 votes. The total number of shares in the company amount to 28,786,102 and the total number of votes to 28,619,851.3. As of March 29, 2019, the company holds 184,723 C shares.

## Other

The annual accounts, audit report, Board of Directors' complete proposals including proposal for decision regarding LTI 2019/2022 and auditors' statement pursuant to chap. 8 § 54 of the Swedish Companies Act will be available from the company and the company's website ([www.beijergroup.com](http://www.beijergroup.com)) from April 17, 2019 onwards, and will be sent by mail to those shareholders that notified the company of their wish to receive it.

If any shareholder so requests, and the Board of Directors considers that it is possible without significant detriment to the company, the Board of Directors and Chief Executive Officer shall present information, firstly on circumstances that can affect the judgment of an item on the agenda, secondly circumstances that may influence judgment of the company's or subsidiaries' financial position, and thirdly the company's relationship to other group companies.

*Welcome to the Meeting.*

*The Board of Directors  
Beijer Electronics Group AB (publ)  
Registration No. 556025-1851*

*Malmö, Sweden, April 2019*

***Beijer Electronics Group** is a high-tech innovator active in smart automation and networks. The Group's open software, hardware and IIoT solutions help customers optimize processes and create reliable secure communication, complete with leading-edge user experiences. Since its start-up in 1981, Beijer Electronics Group has evolved into a multinational group with sales 1.4 billion SEK 2018.*

*The company is listed on the NASDAQ OMX Nordic Exchange Stockholm's Small Cap list under the ticker BELE. [www.beijergroup.com](http://www.beijergroup.com)*