



# Notice to the Annual General Meeting in GARO Aktiebolag (publ)

**The shareholders of GARO Aktiebolag (publ), Reg. No. 556051-7772, are hereby invited to attend the Annual General Meeting (the "AGM") to be held on Wednesday, 5 May 2021.**

In light of the ongoing corona pandemic and in order to minimize any risk of spreading of the corona virus, the Board of Directors has decided that the AGM should be conducted by way of postal vote pursuant to temporary legislation being in effect in 2021. This means that the AGM will be held without the physical presence of shareholders, representatives or third parties. The shareholders will therefore only be able to exercise their voting rights by postal voting in the manner prescribed below.

## **A. RIGHT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING**

Shareholders who wish to participate in the AGM must:

firstly, be recorded in the share register maintained by Euroclear Sweden AB no later than Tuesday, 27 April 2021, and

secondly, give notice of participation by casting its postal vote in accordance with the instructions under the heading Postal voting below so that the postal voting form is received by Euroclear Sweden AB no later than on Tuesday, 4 May 2021.

In order to be entitled to participate in the AGM, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the AGM by submitting its postal vote, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of 27 April 2021. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee in accordance with the nominee's routines at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than 29 April 2021 will be taken into account in the presentation of the share register.

### **Postal voting**

Shareholders may exercise their voting rights at the AGM only by voting in advance, so called postal voting in accordance with section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. A special form must be used for the postal vote. The form is available on the company's website [www.garo.se](http://www.garo.se). The postal vote form is considered as notice to participate in the AGM.

In order to be considered, the completed and signed form must be received by Euroclear Sweden AB no later than 4 May 2021. The completed and signed form must be sent to by mail to GARO Aktiebolag, "Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden or by email to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). Shareholders who are natural persons may also cast their votes electronically through verification with BankID via the Euroclear Sweden AB's website <https://anmalan.vpc.se/EuroclearProxy/>. To be considered, such electronic votes must be submitted no later than 4 May 2021.

If the shareholder submits its postal vote by proxy, a power of attorney must be attached to the postal voting form. Proxy form in Swedish and in English is available on the company's website [www.garo.se](http://www.garo.se) and also upon request. A power of attorney is valid (1) year from its issue date or such longer time period

as set out in the power of attorney, however not more than (5) years. If the shareholder is a legal person, a registration certificate or other authorisation document, not older than one (1) year, must be attached to the form, listing the authorised signatories.

The shareholders may not provide special instructions or conditions to the postal vote. If so, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form and at <https://anmalan.vpc.se/EuroclearProxy/>.

### **Shareholders' right to receive information**

The Board of Directors and CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, the assessment of the company's or its subsidiaries' financial situation and the company's relation to another company within the group. A request for such information shall be made in writing to the company no later than ten days prior to the AGM, i.e. no later than 25 April 2021, at GARO Aktiebolag, Box 203, 335 25 Gnosjö, Sweden, or by email to [arsstamma@garo.se](mailto:arsstamma@garo.se). The information will be made available at the company and on the company's website [www.garo.se](http://www.garo.se) no later than 30 April 2021. The information will also be sent to any shareholder who so requests and who states its postal or email address.

## **B. AGENDA OF THE ANNUAL GENERAL MEETING**

### **Proposal for agenda**

1. Election of Chairman of the Meeting.
2. Election of persons to approve the minutes of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of
  - a) the annual report and the auditors' report, as well as the consolidated financial report and auditors' report on the consolidated financial report for the financial year 2020, and
  - b) statement from the company's auditor confirming compliance with the remuneration guidelines for the CEO and other senior managers that have applied since the preceding Annual General Meeting.
7. Resolutions regarding
  - a) adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet, all as per 31 December 2020,
  - b) appropriation of the company's profit as set forth in the balance sheet adopted by the Meeting, and
  - c) discharge of the Board of Directors and the Managing Director from personal liability for the financial year 2020.
8. Determination of the number of members of the Board.
9. Determination of the fees to be paid to the Board members and auditor.
10. Election of members of the Board.
11. Election of auditor.
12. Resolution on approval of the remuneration report.
13. Resolution on amendment of the Articles of Association.
14. Resolution on share split.

### **Proposals**

#### **Proposals by the Nomination Committee (Items 1 and 8-11)**

The Nomination Committee appointed in anticipation of the 2021 AGM, comprising Lars Kongstad (Chairman) (Mannheimer Swartling Advokatbyrå) appointed by Lars Svensson, Fredrik Carlsson appointed by Svolder AB, Jan Särilvik appointed by Nordea Funds and Stefan Jonsson (Chairman of the Board) has proposed the following:

**Chairman of the Meeting:** The Chairman of the Board, Stefan Jonsson, or if he is prevented from participating, the person appointed by the Nomination Committee, shall be elected Chairman of the 2021 AGM.

**Board members:** The number of Board members shall be seven, without deputies. Re-election shall be made of the Board members Rickard Blomqvist, Ulf Hedlundh, Susanna Hilleskog, Mari-Katharina Jonsson Kadowaki and Lars-Åke Rydh and new election shall be made of Martin Althén and Johan Paulsson. New election shall be made of Rickard Blomqvist as the Chairman of the Board. Stefan Jonsson has declined re-election.

**Board members proposed for new election:**

**Martin Althén**, born 1968, holds a master's degree in industrial engineering. Martin Althén has extensive operational experience from product development, technology, innovation and digitization, among others. from his previous assignment as CIO Head of Digital R&D at Husqvarna AB and his current position as President Intelligent Services at Securitas AB. Martin Althén is currently Board member of Securitas Intelligent Services AB. Martin Althén does not hold any shares in GARO.

**Johan Paulsson**, born 1963, holds a master's degree in electrical engineering. Johan Paulsson has extensive operational experience from product development, technology, innovation and digitization, among others. from his previous assignment as COO and Head of R&D at Ericsson Mobile Platforms AB and his current position as CTO at Axis Communications AB. Johan Paulsson is currently Board member of Acconeer AB. Johan Paulsson does not hold any shares in GARO.

**Board and Committee fees:** Board fees, excluding Committee fees, shall be paid in a total of SEK 2,100,000 (previously SEK 1,520,000), of which SEK 600,000 (previously SEK 470,000) to the Chairman of the Board and SEK 250,000 (previously SEK 210,000) to each of the other Board members elected by the AGM who are not employed by the group. Fees for assignment in the Audit Committee shall be paid in a total of SEK 200,000 (previously SEK 160,000), of which SEK 100,000 (previously SEK 80,000) to the Chairman and SEK 50,000 (previously SEK 40,000) to each of the other members of the Audit Committee. Fees for assignment in the Remuneration Committee (new committee established by the Board in 2020) shall be paid in a total of SEK 100,000, of which SEK 50,000 to the Chairman and SEK 25,000 to each of the other members of the Remuneration Committee.

**Auditor and auditor's fee:** The number of auditors shall be one without deputies. In accordance with the Audit Committee's proposal, the registered audit firm Ernst & Young AB is proposed for re-election as the company's auditor for a period of one year until the end of the AGM 2022. Ernst & Young AB has notified that the authorised public accountant Joakim Falck will continue as principally responsible auditor, if Ernst & Young AB is elected as auditor by the AGM. The auditor's fee shall be paid according to approved invoice.

**Election of persons to approve the minutes of the Meeting (Item 2)**

Rickard Blomqvist, or if he is prevented from participating, the person appointed by the Board, is proposed to check the minutes. The assignment to check the minutes also includes checking the voting list and that the received postal votes are correctly reflected in the minutes of the meeting.

**Preparation and approval of the voting list (Item 3)**

The voting list proposed to be approved is the voting list prepared by Euroclear Sweden AB, based on the general meeting share register and received postal votes, controlled and verified by the person assigned to approve the minutes.

**Proposed appropriation of the company's profit (Item 7 b)**

The Board proposes that a dividend of SEK 4.75 per share is distributed for the financial year 2020. The record date for the dividend is proposed to be on 7 May 2021. If the meeting resolves in accordance with the proposal, the dividend is expected to be paid by Euroclear Sweden AB on 12 May 2021.

### **Resolution on approval of remuneration report (Item 12)**

The Board of Directors proposes that the AGM resolves to approve the Board of Directors' remuneration report pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

### **Resolution regarding amendment of the Articles of Association (Item 13)**

The Board of Directors proposes, subject to the AGM resolving in accordance with the Board of Directors' proposal on share split in accordance with Item 14 to the agenda of the AGM, and in order to enable the intended share split, that the AGM resolves to amend article 5 of the company's Articles of Association, by adjusting the share limits.

| <b>Current wording § 5</b>                                                                               | <b>Proposed wording § 5</b>                                                                               |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|
| § 5 Number of SharesThe number of shares shall be not less than 10,000,000 and not more than 40,000,000. | § 5 Number of SharesThe number of shares shall be not less than 50,000,000 and not more than 200,000,000. |

### **Authorisation**

The Board of Directors proposes that the CEO shall be authorised to make such minor adjustments of the above resolution as may be required in connection with the registration with the Swedish Companies Registration Office.

### **Majority requirement**

In order to be valid, a resolution regarding amendment of the Articles of Association requires approval of at least two thirds of the votes cast and the shares represented at the meeting.

### **Resolution on share split (Item 14)**

The Board of Directors proposes, subject to the AGM resolving in accordance with the Board of Directors' proposal on adjustment of the company's share limits in accordance with Item 13 to the agenda of the AGM, and in order to facilitate the trading in the company's shares on Nasdaq Stockholm, that the AGM resolves on increasing the number of shares in the company by splitting each share into five (5) shares of the same class (share split 5:1), and that the record date for the share split is set to 26 May 2021.

The share split will result in that the number of shares in the company increases from 10,000,000 to 50,000,000. The proposed share split will result in that the quota value of the share changes from SEK 2.00 to SEK 0.40.

### **Authorisation**

The Board of Directors proposes that the CEO shall be authorised to make such minor adjustments of the above resolution as may be required in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

## **C. NUMBER OF SHARES AND VOTES IN THE COMPANY**

The total number of shares and voting rights in the company amounts to 10,000,000. The company does not hold any own shares.

## **D. AVAILABLE DOCUMENTATION**

The Annual Report and the auditor's statement, the Board's statement pursuant to Chapter 18, Section 4 in the Swedish Companies Act, the remuneration report, as well as the auditors' statement regarding whether the guidelines have been complied with and the Board's complete proposal concerning Items 13 and 14 will be presented at the Annual General Meeting by being available for the shareholders at the company's head office in Gnosjö and on the company's website, [www.garo.se](http://www.garo.se) as from 14 April 2021. Copies of the documents will be sent to those shareholders who request to receive such information and who have provided their address.

## **E. 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>.

Gnosjö in March 2021

### **GARO Aktiebolag (publ)**

*Board of Directors*

**For more information, please contact:**

**Helena Claesson**

CFO

+46 (0)370 33 28 03

[helena.claesson@garo.se](mailto:helena.claesson@garo.se)

*GARO develops, manufactures and supplies innovative products and systems for the electrical installations market under its own brand. With a focus on user-friendliness, sustainability and design, GARO takes responsibility for the entire life cycle of its product areas within Electrical distribution products, E-mobility, Project business and Temporary electric installations.*

*At year-end, the Group had 420 employees with operations in Sweden, Norway, Finland, Ireland, Poland and Great Britain and Northern Ireland. Sales are divided into GARO Sweden and GARO Other markets. The head office is in Gnosjö, Sweden. Production units are located in Gnosjö and Värnamo, Sweden, and in Szczecin, Poland. GARO is listed on Nasdaq Stockholm, Mid Cap.*

*The business concept is "with a focus on innovation, sustainability and design, GARO provides profitable complete solutions for the electrical industry."*