



# Notice of Annual General Meeting in Balco Group AB

The shareholders in Balco Group AB, reg. no. 556821-2319, are invited to the Annual General Meeting, to be held on Tuesday 25 May 2021. In order to prevent the spread of the virus causing covid-19, the Board of Directors has decided that the Annual General Meeting will be held without the physical presence of shareholders, proxies or external parties and that the shareholders shall have the opportunity to exercise their voting rights only by postal voting prior to the Annual General Meeting.

## RIGHT TO ATTEND AND NOTIFICATION TO THE COMPANY

Shareholders who wish to attend the meeting shall:

- be entered as a shareholder in the share register kept by Euroclear Sweden AB on Monday, 17 May 2021 or, if the shares are registered in the name of a nominee, request that the nominee registers the shares in the shareholder's own name for voting purposes in such time that the registration is completed by Wednesday, 19 May 2021; and
- notify their intention to participate by submitting a postal vote in accordance with the instructions set out in the section "Postal voting" below in such time so that Computershare AB receives the postal vote no later than Monday, 24 May 2021. Please note that the notification to the Annual General Meeting can only be made by postal voting.

## POSTAL VOTING

The Board of Directors has decided that shareholders shall have the opportunity to exercise their voting rights only by postal voting pursuant to sections 20 and 22 of the Swedish Act (2020:198) on Temporary Exemptions of General Meetings in Companies and Associations. A shareholder who wishes to exercise his or her voting rights shall use a special form for postal voting. The form for postal voting will be made available on the Company's website, [www.balcogroup.se](http://www.balcogroup.se). Complete forms shall be sent by way of mail to Computershare AB, "Balco Group Årsstämma", Box 5267, SE-102 46 Stockholm, Sweden, or by e-mail to [info@computershare.se](mailto:info@computershare.se), and must be received by Computershare AB no later than Monday, 24 May 2021. The submission of a postal voting form is considered as a notification of participation at the general meeting. Shareholders may also submit the postal vote electronically by verification with BankID on the Company's website [www.balcogroup.se](http://www.balcogroup.se). For questions regarding the postal voting procedure, Computershare AB may be contacted at telephone no. +46(0)77-124 64 00.

The shareholder cannot give any instructions other than by marking one of the stated alternatives for each item of the postal voting form. If the shareholder has added special instructions or conditions in the form, or amended or added to the pre-printed text, the vote will be invalid.

Only one form per shareholder will be taken into consideration. If more than one form is submitted, only the most recently dated form will be taken into consideration. If two or more forms have the same date, only the form received last by Balco Group will be taken into consideration. Incomplete or incorrectly completed forms may be disregarded.

## **SHAREHOLDERS WITH NOMINEE REGISTERED SHARES**

To be entitled to participate in the general meeting by submitting a postal vote, those having their shares registered in the name of a nominee must have their shares registered in their own name so that he or she is registered as a shareholder in the share register kept by Euroclear Sweden AB no later than Wednesday, 19 May 2021. Such registration may be temporary (so-called voting registration). Please note that this procedure may also apply with respect to shares held on a bank's shareholder deposit account and certain investment savings accounts (ISK).

## **PROXIES AND PROXY FORMS**

Shareholders can vote by post at the Annual General Meeting through proxies with a written, signed and dated power of attorney. If the shareholder is a legal entity, a registration certificate or equivalent authorisation document shall be attached. The power of attorney shall be attached to the postal voting form.

A proxy form is available at the company's website, [www.balcogroup.se](http://www.balcogroup.se).

## **SHAREHOLDERS' RIGHTS TO REQUEST INFORMATION**

Shareholders are reminded of their right to request information pursuant to Chapter 7, Section 32 of the Swedish Companies Act (2005:551). The Board of Directors and the CEO shall, if requested by a shareholder and the Board of Directors considers that it can be done without significant harm to the company, at the Annual General Meeting provide information about circumstances that may affect the assessment of an item on the agenda, and circumstances that may affect the assessment of the company's or a subsidiary's financial situation, the consolidated accounts as well as the company's relation to another group company.

Requests for such information must be submitted in writing to the company at the address Älgvägen 4, SE-352 45 Växjö, Sweden, or via e-mail to [arsstamma@balco.se](mailto:arsstamma@balco.se), no later than Saturday, 15 May 2021. The information will be provided by the company by being kept available at the company's website [www.balcogroup.se](http://www.balcogroup.se) and its head office no later than Thursday, 20 May 2021. The information will also be sent to those shareholders who so request and submit their address.

## **PROPOSED AGENDA**

1. Opening of the Annual General Meeting
2. Election of chairman for the Annual General Meeting
3. Election of one or two persons to verify the minutes
4. Preparation and approval of the voting list
5. Approval of the agenda
6. Examination of whether the Annual General Meeting has been duly convened
7. Presentation of annual report and the auditor's report as well as the consolidated accounts and the auditor's report on the consolidated accounts
8. Resolutions on:
  - a. adopting the profit and loss statement and the balance sheet as well as the consolidated profit and loss statement and consolidated balance sheet;

- b. allocation of the Company's profit according to the adopted balance sheet; and
  - c. (i)–(vii) discharge from liability for the members of the Board of Directors and the CEO for the financial year 2020
- 9. Presentation of the remuneration report for approval
- 10. Resolution on the number of directors of the board to be appointed
- 11. Resolution on the number of auditors to be appointed
- 12. Resolution on remuneration for the directors of the board
- 13. Resolution on remuneration to the auditor
- 14. (i)–(vii) Appointment of the Board of Directors and the Chairman of the Board of Directors
- 15. Appointment of auditor
- 16. Resolution on introduction of incentive programme 2021/2024
- 17. Resolution on issue authorisation for the Board of Directors
- 18. Resolution on:
  - a. authorisation for the Board of Directors to resolve on acquisition of own shares; and
  - b. authorisation for the Board of Directors to resolve on transfer of own shares
- 19. Resolution to amend the company's articles of association
- 20. Closing of the Annual General Meeting

## **THE NOMINATION COMMITTEE**

The Nomination Committee has prior to the Annual General Meeting consisted of Carl-Mikael Lindholm, appointed by the Hamrin Family (the Nomination Committee's chairman), Marianne Flink, appointed by Swedbank Robur Fonder, Lennart Björkman, appointed by Skandrenting AB, Claes Murander, appointed by Lannebo Fonder, and Tomas Johansson, the company's chairman.

## **THE BOARD OF DIRECTORS' AND THE NOMINATION COMMITTEE'S PROPOSALS**

### **Proposal under item 2: Election of chairman of the Annual General Meeting**

The Nomination Committee proposes Tomas Johansson, the company's chairman, as chairman of the Annual General Meeting.

### **Proposal under item 3: Election of one or two persons to verify the minutes of the meeting**

The Board of Directors proposes Marianne Flink, representing Swedbank Robur Fonder, and Claes Murander, representing Lannebo Fonder, or in the event of the absence of either of them, the person(s) appointed by the Board of Directors, to verify the minutes along with the chairman of the Annual General Meeting. The assignment to verify the minutes also includes checking the voting list and that the received postal votes are correctly stated in the minutes of the meeting.

### **Proposal under item 4: Preparation and approval of the voting register**

The voting register that is proposed to be approved is the voting register that Computershare AB has prepared on behalf of the company, based on the shareholders register and received postal votes and which has been verified and approved by the persons verifying the minutes.

### **Proposal under item 8 b): Resolution on allocation of the company's profit according to the adopted balance sheet**

The Board of Directors proposes that no distribution of profits is made for the financial year 2020, and that funds at the disposal of the Annual General Meeting are carried forward.

In light of the current situation, the Board of Directors has decided to propose that a decision on distribution of profits shall not be made at the Annual General Meeting. At the same time, the Board of Directors is open to, if the conditions are appropriate, convene an Extraordinary General Meeting later under 2021, at which the shareholders will be able to decide on dividend.

**Proposal under item 8 c): Resolution on discharge from liability for the directors of the board and the CEO for the financial year 2020**

The auditor recommends that the Annual General Meeting grants discharge from liability for the financial year. Decisions on discharge from liability are proposed to be made through separate individual decisions for each board member and the CEO in the following order:

- i. Tomas Johansson, chairman of the board of directors
- ii. Mikael Andersson, member of the board of directors
- iii. Ingalill Berglund, member of the board of directors
- iv. Carl-Mikael Lindholm, member of the board of directors
- v. Johannes Nyberg, member of the board of directors
- vi. Vibecke Hverven, member of the board of directors
- vii. Kenneth Lundahl, CEO

**Proposal under item 9: Presentation of the remuneration report for approval**

The Board of Directors proposes that the Annual General Meeting approves the Board of Directors remuneration report for 2020.

**Proposal under item 10: Resolution on the number of directors of the board to be appointed**

The Nomination Committee proposes that the Board of Directors, for the period until the end of the next Annual General Meeting, unchanged shall consist of six board members elected by the Annual General Meeting, without deputies.

**Proposal under item 11: Resolution on the number of auditors to be appointed**

The Nomination Committee proposes that the number of auditors, for the period until the end of the next Annual General Meeting, unchanged shall consist of one auditor, without deputies.

**Proposal under item 12: Resolution on remuneration for the directors of the board**

The Nomination Committee proposes, for the period until the end of the next Annual General Meeting, the below changes of remuneration to the board and committees:

- i. SEK 500,000 (SEK 500,000) to the chairman of the Board of Directors;
- ii. SEK 200,000 (SEK 190,000) to each of the other members of the Board of Directors;
- iii. SEK 80,000 (SEK 70,000) to the chairman of the Audit Committee;
- iv. SEK 40,000 (SEK 40,000) to each of the other members of the Audit Committee;
- v. SEK 40,000 (SEK 40,000) to the chairman of the Remuneration Committee; and

- vi. SEK 25,000 (SEK 25,000) to each of the other members of the Remuneration Committee.

### **Proposal under item 13: Resolution on remuneration to the auditor**

The Nomination Committee proposes that remuneration to the auditor shall be paid in accordance with the approved bill.

### **Proposal under item 14: Appointment of the Board of Directors and the Chairman of the Board of Directors**

The Nomination Committee proposes, for the period until the end of the next Annual General Meeting:

New election of

- i. Thomas Widstrand

Re-election of

- ii. Mikael Andersson
- iii. Ingalill Berglund
- iv. Carl-Mikael Lindholm
- v. Johannes Nyberg
- vi. Vibecke Hverven

The person proposed as chairman is

- vii. Ingalill Berglund

Thomas Widstrand was born in 1957 and has a Master of Business Administration from the Gothenburg School of Economics. Thomas has a long career within the ESAB Group, Cardo Pump AB, Borås Wäfveri AB and Troax AB. Thomas has been President and CEO of Troax AB since 2008.

A presentation of all of the Nomination Committee's proposed board members is available on the company's website [www.balcogroup.se](http://www.balcogroup.se).

### **Proposal under item 15: Appointment of auditor**

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, for the period until the end of the next Annual General Meeting, re-election of the authorised accounting firm Öhrlings PricewaterhouseCoopers AB ("PwC") as the company's auditor. PwC has notified that, if the Annual General Meeting approves the Nomination Committee's proposal, the authorised auditor Martin Odqvist will continue as auditor in charge.

### **Proposal under item 16: Resolution on introduction of incentive programme 2021/2024**

#### **The incentive programme in short**

The Board of Directors proposes that the Annual General Meeting resolves on implementing an incentive programme under which the company offers approximately 15 persons within the group to acquire warrants in the company. The right to acquire warrants shall accrue to the company's CEO, senior executives and other key employees in the group with the ability to directly affect the group's earnings.

The members of the Board of Directors of the company shall not be granted warrants.

The Board of Directors' proposal means that the Annual General Meeting resolves (i) to implement an incentive programme, (ii) on a directed issue of a maximum of 200,000 warrants, and (iii) to approve that the wholly owned subsidiary which has subscribed for the warrants transfers the warrants to the participants in the incentive programme.

The purpose of the proposed incentive programme is to create conditions for retaining and recruiting competent staff for the group, provide competitive compensation and align the interests of the participants with those of the shareholders as well as promote own shareholding in the company and thereby promote shareholder value and the company's creation of long-term value.

#### **Issue of warrants 2021/2024**

The Board of Directors proposes that the Annual General Meeting resolves on an issue of warrants in accordance with the terms and conditions set out below.

##### *Number of warrants to be issued*

The company shall issue a maximum of 200,000 warrants.

##### *Right to subscription*

The right to subscribe for warrants shall, with deviation from the shareholder's preferential rights, accrue to one of the company's wholly owned subsidiaries Nordiska Balco AB.

##### *Reasons for deviation of the shareholder's preferential rights*

The reason for deviation from the shareholder's preferential rights is to – through an incentive programme – create conditions for retaining and recruiting competent staff for the group, provide competitive compensation and align the interests of the participants with those of the shareholders as well as promote own shareholding in the company and thereby promote shareholder value and the company's creation of long-term value.

##### *Subscription period*

The warrants shall be subscribed for on a separate subscription list no later than 22 June 2021.

##### *Over-subscription*

Over-subscription shall not be permitted.

##### *Subscription price and payment*

The warrants shall be issued free of charge to the wholly owned subsidiary.

##### *Terms and conditions for the warrants*

- i. Each warrant entitles the participant to acquire one new share in the company.
- ii. The subscription price for each new share shall amount to an amount corresponding to 115 per cent of the volume-weighted price of the company's share on Nasdaq Stockholm during the ten trading days that occurs before (but not including) the day that the board for the first time decides on transfer of the warrants from the wholly owned subsidiary Nordiska Balco AB to the participants. The subscription price, calculated in

accordance with the above, shall be rounded off to the nearest SEK 0.10, of which SEK 0.05 shall be rounded downwards. The thus described first transfer may be carried out no later than 6 months from the date of the resolution of the general meeting to issue warrants.

- iii. The option right may be exercised during the period from and including the date that occurs three (3) years following the date that the board for the first time decides to transfer the warrants to the participants up to and including the day that falls 30 calendar days thereafter, though no later than from and including the date that occurs 3 years and six months from the date of the resolution of the general meeting to issue the warrants. According to the terms and conditions of the warrants, the period during which the warrants may be exercised shall be possible to extend if participants are prevented from exercising their warrants due to applicable laws on insider trading or the equivalent.
- iv. The new shares shall entitle to dividend for the first time on the record date for dividends that falls immediately following the execution of the subscription.
- v. The full terms and conditions for the warrants will be available on the company's website, [www.balcogroup.se](http://www.balcogroup.se), from and including 4 May 2021, at the latest. According to the terms and conditions for the warrants, the subscription price and the number of shares each warrant entitles subscription for, may be subject to customary recalculation in certain cases.

#### *Increase of the share capital*

When exercising all 200,000 warrants, the company's share capital may be increased by SEK 1,200,047.20 (estimated on a quotient value (Sw. *kvotvärde*) of SEK 6.000236), subject to the recalculation of the number of shares for which each warrant entitles the holder to subscribe for that can be made in accordance with the full terms and conditions of the warrants.

#### *Authorisation*

The Board of Directors shall have the right to extend the time for subscription of the warrants.

Allocation to potential participants outside Sweden is dependent on tax effects and that there otherwise are no legal obstacles to such allocation and that such allocation may occur with reasonable financial and administrative resources. In the event of such an allocation, the Board of Directors is authorised to make such minor adjustments as may be necessary with regard to foreign applicable law.

#### **Approval of transfer of warrants to participants in the incentive programme**

The Board of Directors proposes that the annual general meeting resolves to approve that the subsidiary entitled for subscription transfers a maximum of 200,000 warrants 2021/2024 to the company's CEO, senior executives and other key employees in the group who have a direct ability to influence the company's earnings or retains and later transfers warrants to such persons in accordance with the terms and conditions below.

#### *Price and valuation*

Payment for the warrants shall be made in cash and be acquired at market price. For those warrants that shall be acquired at market price, the price (the warrant premium) shall be determined according to Black & Scholes' valuation model in connection with the time of the transfer.

#### *Allocation*

The allocation of the warrants shall be determined by the Board of Directors in accordance with the following guidelines.

- i. The warrants may be granted to the company's CEO, senior executives and other key personnel in the group who have a direct ability to influence the group's earnings. In this case, the company's CEO may be granted a maximum of 50,000 warrants. Other participants, a total of approximately 14 persons, are divided depending on seniority into different categories that may be granted a total of a maximum of 150,000 warrants. However, the maximum number of warrants granted to the participants may not exceed 200,000 warrants. The company's board members may not be granted warrants. The first transfer to the participants in the programme may occur no later than 6 months from the date of the resolution of the general meeting to issue the warrants.
- ii. Allocation of warrants to the participants may take place during the period from the date of the resolution of the general meeting to issue the warrants and for a period of 6 months thereafter. Allocation may only occur to the extent that the total number of warrants according to the programme does not exceed 200,000 warrants. However, the last day of allotment and transfer under this item (ii) does not apply to warrants not transferred under item (iii) or that have been repurchased under item (iv).
- iii. If a person who has been granted a right to acquire warrants does not wish to acquire his or her full share, the non-acquired warrants shall be included in the number of unallocated warrants that may be offered to other existing and newly employed persons belonging to the categories specified in item (i) above.
- iv. In connection with the transfer of warrants to the participants in the incentive programme, the company shall reserve the right to repurchase the warrants under certain circumstances. The company will thus have a right but not an obligation to repurchase warrants from the participant during the term of the incentive programme. Repurchases of warrants must be done at a price that at all times corresponds to no more than the market value. Repurchase of warrants may not, however, be made during such period when trading in financial instruments in the company is prohibited due to applicable laws on insider trading or the equivalent. Such repurchased warrants may be transferred in accordance with item (ii) above.

### **Dilution effect**

If all 200,000 warrants 2021/2024 are exercised for subscription of 200,000 new shares, a dilution effect of approximately 0.9 per cent will arise (estimated based on the number of shares at the time of this notice).

### **Subsidies**

In order to encourage participation in the programme, the Board of Directors is authorised to resolve on a subsidy in the form of gross salary additions, maximum corresponding to the premium paid for each warrant. In such cases, the subsidy will be paid out in connection with the exercise of the warrants, subject to the participant at such point in time is remaining in his/her employment or another corresponding employment within the Balco-group and still holding warrants. If a participant has disposed a part of its warrants, the participant should receive a subsidy maximum corresponding to the premium paid for the warrants held by the participant at the time of payment.



The company has the right but not any obligation to repurchase warrants that the participant does not wish to exercise as per the participant's notification to the company and part of each participant's warrants at a price corresponding to no more than the market value, with the purpose of facilitating the participant's exercise of the remaining warrants acquired under the programme. Repurchase may in such case be carried out in connection with the exercise of the warrants, however, warrants may not be repurchased during any such period when trading in the company's shares is prohibited in accordance with Article 19 of the market abuse regulation or any other equivalent legislation which applies at any given time.

The Board of Directors shall, within the framework of the above terms and conditions, be responsible for the preparation and management of the programme.

## **Costs**

The transfers of the warrants will take place at a price that corresponds to the market value of the warrants at the time of the transfer, which means that no social security contributions should arise for the group in connection with the issue and transfer of the warrants.

Warrants transferred to participants will be accounted for in accordance with IFRS 2 and will be recorded as a personnel expense in the income statement over the duration of the incentive programme.

The total cost for the incentive programme, including social security costs, if any, the subsidies according to the previous heading and advisory fees, amounts to approximately SEK 2 million.

The programme is estimated to entail only limited direct costs for the company. Therefore, no measures to secure the programme are planned to be made.

## **Effect on key ratios**

If the incentive programme had been established in 2020, subject to the assumptions set out above, the impact on earnings per share would have been approximately SEK 0.04.

Subject to the assumptions set out above, the total cost of the incentive programme, including social security, is estimated to be approximately SEK 2 million over the duration of the incentive programme. This cost may be compared to the company's total salary costs, including social security costs, of approximately SEK 235 million in 2020.

## **Preparation of the proposal**

The incentive programme has been prepared by the Board of Directors and the remuneration committee and has been discussed at the board meeting in April 2021.

## **Proposal under item 17: Resolution on issue authorisation for the Board of Directors**

The Board of Directors proposes that the Annual General Meeting shall decide to authorise the Board of Directors to, at one or several occasions until the next Annual General Meeting, resolve to issue, with or without preferential rights for the shareholders, against payment in cash, payment in kind or payment through set-off, shares or share warrants or convertibles referring to such shares, signifying an increase or potential increase of the company's share capital with a maximum of ten per cent or 2,190,934 shares.

The purpose of the authorisation and the reasons for a possible deviation from the shareholders' preferential rights is that new issues of shares shall be able to occur to finance acquisitions of companies, to raise capital, or to finance further growth in the company in other ways.

**Proposal under item 18 a): Resolution on authorisation for the Board of Directors to resolve on acquisition of own shares**

The Board of Directors proposes that the Annual General Meeting shall decide to authorise the Board of Directors to, at one or several occasions until the next Annual General Meeting, on the following terms, acquire own shares in the share class that, at the time of the utilisation of the authorisation, are admitted to trading on Nasdaq Stockholm.

Acquisitions of shares in the company may be carried out on Nasdaq Stockholm. The number of shares that may be acquired shall not exceed a number implying that the company's total shareholding of own shares after acquisition corresponds to more than one tenth of all shares in the company at any time. The shares in the company on Nasdaq Stockholm shall be acquired only within the from time to time registered price range, *i.e.* the spread between the highest purchase price and the lowest selling price.

The purpose of the proposed authorisation to acquire own shares is to enable an improvement of the company's capital structure and to give the Board of Directors an increased scope of action, including to be able to use own shares as payment in connection with the acquisition of companies.

**Proposal under item 18 b): Resolution on authorisation for the Board of Directors to resolve on transfer of own shares**

The Board of Directors proposes that the Annual General Meeting shall decide to authorise the Board of Directors to, at one or several occasions until the next Annual General Meeting, on the following terms, resolve on transfers of own shares in the share class that, at the time of the utilisation of the authorisation, are admitted to trading on Nasdaq Stockholm.

Transfers of own shares may be carried out on Nasdaq Stockholm or by other means. Transfers of own shares may be made with deviation from the preferential rights of the shareholders. The maximum number of shares that may be transferred is the total number of own shares held by the company at the time of the Board of Directors' resolution to transfer the shares. Transfers of own shares on Nasdaq Stockholm shall be carried out at a price within the from time to time registered price range, *i.e.* the spread between the highest purchase price and the lowest selling price. Transfers of own shares in another manner shall be made at a minimum price that shall be determined in close connection with the shares' quoted price at the time of the Board of Directors' resolution to transfer the shares. Payment for own shares that are transferred can be made in cash, in kind or through set-off. The Board of Directors is entitled to determine the other terms and conditions of the transfer which, however, shall be in accordance with the market practice.

The purpose of the proposed authorisation to transfer own shares and the reason for the deviation from the shareholders' preferential rights is to enable an improvement of the company's capital structure and to give the Board of Directors an increased scope of action in relation to future acquisitions by facilitating a fast and cost-effective financing through the disposition of own shares.

**Proposal under item 19: Resolution to amend the company's articles of association**

The Board of Directors proposes that the Articles of Association be amended regarding an editorial change, regarding shortening the notice period for extraordinary general meetings, where the issue of changes to the articles of association will not be dealt with, from four weeks to three weeks and to enable postal voting and proxy collection at general meetings even after the Swedish Act (2020:198) on Temporary Exemptions of General Meetings in Companies and Associations has ceased to apply.

In the Board of Directors' proposal below, **underlined bold text** means additions to the now registered articles of association and ~~crossed-out text~~ means deleted text.

## **§ 1 ~~Company name~~ Company name**

The Company's name is Balco Group AB. The Company is a public company (publ).

## **§ 8 Notice of shareholder meetings, participation etc.**

Notice of shareholders' meetings shall be given through advertisement in the Official Gazette (Post- och Inrikes Tidningar) and through notice being given on the Company's website. The Company shall place an advertisement in Dagens Industri stating that notice has been given. Notice of the annual general meeting and extraordinary general meetings, **where the issue of changes to the articles of association will be dealt with**, shall be issued not earlier than six, and not later than four, weeks prior to the meeting. **Notice of other extraordinary general meetings shall be issued not earlier than six, and not later than three, weeks prior to the meeting.**

Shareholders who wish to participate at shareholders' meetings must give notice of such to the company not later than the date stated in the notice of the meeting. The latter-mentioned date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve, or New Year's Eve and may not be earlier than the fifth weekday prior to the shareholders' meeting.

Shareholders may be accompanied at shareholders' meetings by a maximum of two assistants, provided the shareholder has given notice to the company in the manner stated in the preceding paragraph of the number of assistants.

**The board of directors may collect powers of attorney in accordance with the procedure specified in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).**

**The board of directors may decide before a general meeting that the shareholders shall be able to exercise their voting rights by post before the general meeting.**

## **NUMBER OF SHARES AND VOTES**

The total number of shares and votes in the company, at the time of the issue of the notice, is 21,909,348. The Company does not possess any own shares at the time of the issue of the notice.

## **SPECIFIC MAJORITY REQUIREMENTS**

Resolution in accordance with the Board of Directors' proposals under item 17, 18 and 19 above requires that shareholders representing a minimum of 2/3 of both the votes cast and the shares represented at the Annual General Meeting approve the proposal. Resolution in accordance with the Board of Directors' proposals under item 16 requires that shareholders representing a minimum of 9/10 of both the votes cast and the shares represented at the Annual General Meeting approve the proposal.

## **AUTHORISATION**

The Board of Directors, or any person appointed by the Board of Directors, is authorised to make such minor adjustments to the Annual General Meeting's resolution that may be necessary in connection with the registration with the Swedish Companies Registration Office, Euroclear Sweden AB or due to other formal

requirements.

## **PROCESSING OF PERSONAL DATA**

For information on how your personal data is processed due to the Annual General Meeting, please see the privacy note available on Euroclear Sweden AB's and Computershare AB's websites at [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf) and [www.computershare.com/se/gm-gdpr#English](http://www.computershare.com/se/gm-gdpr#English), respectively.

## **AVAILABLE DOCUMENTS**

Documents that shall be provided prior to the Annual General Meeting will be available at the company's office and on the company's website, [www.balcogroup.se](http://www.balcogroup.se), at the latest from and including Tuesday 4 May 2021 and will also be sent free of charge to those shareholders who make a request to that effect and provide their postal address. The annual report for 2020 was published on Friday, 16 April 2021.

Växjö in April 2021

### **Balco Group AB (publ)**

*The Board of Directors*

### **For more information, please contact:**

**Michael Grindborn**  
CFO and Head of IR  
+46 70 670 18 48  
[michael.grindborn@balco.se](mailto:michael.grindborn@balco.se)

*Balco is a growth company offering high quality, innovative, patented and energy-saving balcony solutions. The company's customised products contribute to enhanced quality of life, security and an increase in value for residents of multi-family residential properties. Through a decentralized and efficient sales process, Balco has control over the entire value chain – from production to delivery. The company, which was founded in Växjö in 1987 and which has over 400 employees, is a market leader in the Nordic region, and operates on several markets in northern Europe. Sales in 2020 amounted to SEK 1,200 M. Balco's shares are listed on the Nasdaq Stockholm Stock Exchange.*