

Press release

Notice of Bergman & Beving's Annual General Meeting on 23 August 2018

Shareholders in Bergman & Beving AB (publ), corp. reg. no. 556034-8590, are hereby given notice to attend the Annual General Meeting (AGM) on 23 August 2018, at 4.30 p.m. at IVA Conference Centre, Grev Turegatan 16, Stockholm, Sweden. Registration for the meeting will begin at 3.45 p.m.

NOTICE OF PARTICIPATION

Shareholders who wish to participate in the proceedings of the AGM must:

- a) be recorded in the share register maintained by Euroclear Sweden AB on the record date which is on 17 August 2018, and
- b) on 17 August 2018 the latest, file notice of their intention to participate via the link on the Company's website, by post to: Bergman & Beving Aktiebolag, "Annual General Meeting", c/o Euroclear Sweden, Box 191, SE-101 23 Stockholm or by telephone at +46 8-402 90 66 (9:00 a.m.-4:00 p.m.).

In the notice, the shareholder must include information about the shareholders' name, personal identity number (corporate registration number), telephone number (daytime), registered shareholding and the names of any assisting counsel (maximum of two). All information submitted in the notice of participation will be processed and used for the 2018 AGM.

To exercise their voting rights at the Meeting, shareholders whose shares are registered in the name of a nominee must temporarily re-register their shares in their own names. Such re-registration must be completed not later than 17 August 2018. This means that shareholders must inform the trustee/bank in good in advance before this day.

In the case of participation by proxy authorised by a power of attorney, original copies of a written power of attorney signed by the shareholder and other relevant authorisation documents are to be presented prior to the start of the meeting. When notifying the Company of their participation, representatives of legal entities must also submit a certified copy of the entity's certificate of incorporation or corresponding authorisation documents showing that they are authorised to represent the legal entity.

The Company will provide shareholders with a power of attorney form, which will be available from the Company's head office or online at www.bergmanbeving.com not later than 19 July 2018.

BERGMAN & BEVING

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PROPOSED AGENDA

1. Opening of the meeting.
2. Election of the Chairman to preside over the meeting.
3. Compilation and approval of electoral register.
4. Approval of the agenda proposed by the Board of Directors for the meeting.
5. Election of one or two persons to approve the minutes taken at the meeting.
6. Determination of whether or not the meeting has been duly convened.
7. Presentation of the annual report and the auditor's report, and the consolidated financial report and auditor's report on the consolidated financial report, and a statement by the Company's auditor.
8. Address by the President & CEO.
9. Resolutions.
 - a) concerning the adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet,
 - b) concerning the appropriation of the Company's profit or loss as shown in the balance sheet adopted by the Meeting,
 - c) concerning the discharge of the directors and the President & CEO from personal liability for their administration.
10. Report on the work of the Election Committee.
11. Determining the number of directors.
12. Adoption of fees to the Board and auditors.
13. Election of directors and Chairman of the Board.
14. Election of auditor.
15. Resolution regarding principles governing the appointment and tasks of the Election Committee.
16. Adoption of guidelines for determining remuneration and other terms of employment for the President & CEO and other members of Group management.
17. Resolution on the issuance of call options on repurchased shares and the transfer of repurchased shares to executives ("2018 share-based incentive programme")
18. Resolution regarding the authorisation of the Board to decide on the acquisition and conveyance of treasury shares.
19.
 - a) Reduction of the share capital by way of cancellation of repurchased own shares.
 - b) Increase of the share capital by way of bonus issue.
20. Closing of the meeting.

PROPOSAL BY THE ELECTION COMMITTEE FOR RESOLUTION OF ITEMS 2 AND 11-15 IN ACCORDANCE WITH THE ABOVE

The AGM on 24 August 2017 resolved to authorise the Chairman of the Board to contact the largest shareholders, in terms of votes and request that they appoint four members who, together with the Chairman of the Board, will constitute an Election Committee for the upcoming election of the Board of Directors. Accordingly, as announced in the Company's interim report, published on 9 February 2018, the following were appointed members of the Election Committee: Anders Börjesson (Chairman of the Election Committee), Marianne Flink (appointed by Swedbank Robur Fonder), Tom Hedelius, Stefan Nilsson (appointed by Handelsbankens Pensionskassa och Pensionsstiftelse) and Per Trygg (appointed by SEB Fonder).

The Election Committee, whose members represent approximately 45 percent of the total number of votes, has announced that it will propose that the AGM on 23 August 2018, in accordance with the items above, resolve on:

Item 2 Election of the Chairman to preside over the meeting

Chairman of the Board Anders Börjesson.

Item 11 Determining the number of directors

Six regular directors.

Item 12 Adoption of fees to the Board and auditors

Total directors' fees of SEK 1,975,000 (preceding year SEK 1,820,000) to be allocated as follows:

Chairman of the Board SEK 600,000 (preceding year SEK 520,000)

Other members of the Board: SEK 275,000 per director (preceding year SEK 260,000)

The following additional fees will be paid for committee work:

Compensation Committee – SEK 50,000 (preceding year SEK 50,000) to each committee director (2 members).

Audit Committee – SEK 50,000 (preceding year SEK 50,000) to the Chairman.

Provided that the necessary tax prerequisites for invoicing exist and that doing so would not entail a cost for Bergman & Beving AB, directors shall be offered the opportunity to invoice their directors' fees through a Swedish wholly owned company or private business. If a director invoices his/her directors' fee through a wholly owned company or private business, the fee is to be increased by an amount corresponding to the social security contributions and value added tax stipulated by law.

Auditing fees are, as in previous years, paid in return for approved invoices.

Item 13 Election of directors and Chairman of the Board

Re-election of the current directors Anders Börjesson, Roger Bergqvist, Henrik Hedelius, Malin Nordesjö, Johan Sjö and Louise Undén.

New election of Johan Sjö as Chairman of the Board.

A presentation of the members of the Board of Directors is available from the Company's website, www.bergmanbeving.com.

Item 14 Election of registered accounting firm

Re-election of the registered accounting firm KPMG AB as auditors until the end of the 2019 AGM.

Item 15 Resolution regarding principles governing the appointment and tasks of the Election Committee

The Election Committee proposes that, until a new Election Committee is appointed, the Election Committee shall consist of five members and that the Chairman of the Board of Directors shall be assigned to contact the largest shareholders in terms of votes and request that they appoint four members who, together with the Chairman of the Board, shall constitute the Election Committee. The selection of the shareholders to contact shall be based on the list of shareholders in place at the end of the respective calendar year. The Election Committee will appoint a Chairman among its members. The composition of the Election Committee shall be announced not later than six months before the Annual General Meeting. Information about the principles governing the appointment and tasks of the Election Committee, as well as the current composition of the Election Committee, shall be made available on the Company's website at www.bergmanbeving.com.

The Election Committee is responsible for evaluating the composition and work of the Board and submitting motions to the Annual General Meeting regarding the Chairman to preside over the Annual General Meeting, the Chairman of the Board of Directors and other Directors, the auditors and deputy auditors or registered accounting firm, Directors' fees to be paid to each of the Directors, auditors' fees and, where applicable, propose changes to the principles governing the appointment of the Election Committee and the Election Committee's tasks. The Election Committee's motions are to be presented in the notice of the Annual General Meeting and on the Company's website at www.bergmanbeving.com in conjunction with the publication of the notice. The Election Committee is also responsible for providing the Annual General Meeting with information on how it has conducted its work and presenting and motivating its motions.

If during the term of mandate of the Election Committee one or more shareholders who nominate members of the Election Committee no longer belong to the four largest shareholders, the members appointed by these shareholders shall make their seats available if requested by the shareholders that are added to the four, to the vote, largest shareholders who then have the right to appoint their own representatives. In the absence of special

reasons, no changes shall be made to the composition of the Election Committee if only minor changes in the voting number have taken place or if the change occurs later than three months before the AGM. Shareholders who have been added to the four largest shareholders as a result of a more substantial change in voting rights later than three months before the AGM shall, however, have the right to appoint a representative to the Election Committee. Shareholders who appointed a representative to the Election Committee are entitled to terminate such member and appoint a new representative member of the Election Committee. Changes in the composition of the Election Committee shall be published as soon as such changes have been made.

The Company shall pay the cost for out-of-pocket expenses incurred in conjunction with the Election Committee's assessment and/or recruitment of Board members. The members of the Election Committee receive no remuneration from the Company for their work.

The above principles governing the appointment and tasks of the Election Committee shall apply until the General Meeting of Shareholders decides to change them. It is the responsibility of the Election Committee, prior to a General Meeting of Shareholders, to determine whether the Election Committee finds it necessary to propose any changes to the principles in question to an Annual General Meeting.

PROPOSAL BY THE BOARD OF DIRECTORS FOR RESOLUTION OF ITEMS 9 AND 16-19 IN ACCORDANCE WITH THE ABOVE

Item 9 b Resolution concerning the appropriation of the Company's profit or loss as shown in the balance sheet adopted by the Meeting

The Board proposes that the Company's profits be disposed of so that MSEK 68 (141) is distributed to the shareholders and the remaining MSEK 1,138 (1,938) of the Company's profits be brought forward.

This means the Board of Directors proposes to shareholders the distribution of SEK 2.50 (5.00) per share and Monday, 27 August 2018 as the record date for receiving dividends. If the AGM adopts the proposal, dividends are expected to be disbursed through Euroclear Sweden AB on 30 August 2018 to the shareholders recorded in the share register as of the record date.

Item 16 Adoption of guidelines for determining remuneration and other terms of employment for the President & CEO and other members of Group management

The Board aims to ensure that the reward mechanism in place for the President & CEO and the other members of the Group's senior management team ("Group management") is competitive and in line with market conditions. To provide continuity, the Board's proposals set out below correspond in all material aspects with previous remuneration principles and are based on existing agreements between the Bergman & Beving Group and each senior executive.

The Board proposes that the guidelines below for determining remuneration and other terms of employment for Group management are adopted.

The Board's proposal regarding guidelines

For the Board of Directors, it is crucial that the Company is able to recruit, provide long-term motivation for and retain competent employees who create long and short-term shareholder value. To achieve this goal, it is important that the Company is able to offer competitive terms. The Company's remuneration levels and remuneration structure for Group management are to be in line with market conditions. The total remuneration package for the individuals in question is to comprise a balanced combination of fixed salary, variable salary, long-term incentive programmes, pension benefits and other benefits. Variable salary and long-term incentive programmes should primarily be linked to the Group's earnings and value performance.

- Fixed salary is to be adjusted to market conditions and be based on responsibility, competence and performance. Fixed salary is determined based on market principles and is reviewed annually.
- Variable salary is to be determined in relation to fixed salary and is set as a function of the Group's earnings.
- Members of Group management are to be included in a long-term incentive programme ("LTI programme").
- Pension benefits are to comprise either a defined-benefit pension plan or a defined-contribution plan, whose annual premium is determined as a function of fixed salary, variable salary and age. Certain individual adjustments occur. The retirement age for Group management is currently 65 years.
- Other benefits are to be in line with market conditions and enable the members of Group management to perform their duties.
- In the event of termination of employment on the initiative of the President & CEO or another member of Group management, the period of notice is six months. In the event of termination of employment on the initiative of the Company, the period of notice is a maximum of 12 months. Severance pay may amount to a maximum of 12 months' salary.

The Board is entitled to deviate from the above guidelines in individual cases if special reasons exist.

The intention is that these guidelines will be applied to all agreements entered into with the President & CEO and other members of Group management during 2018/2019.

Item 17 Resolution on the issuance of call options on repurchased shares and the transfer of repurchased shares to executives ("2018 share-based incentive programme")

The Board of Directors proposes that the Annual General Meeting resolves to adopt a long-term incentive programme, 2018 share-based incentive programme (the "Programme"). The Programme, which is proposed to include a total of 16 executives in the Bergman & Beving Group, means participants are offered an opportunity to acquire call options at market price for Bergman & Beving AB's (publ) (the "Company") repurchased Class B shares in the

Company and that participants will, after a two-year period, receive a certain subsidy on the paid premium for the options.

The Board of Director's proposal also entails the Annual General Meeting approving that the Company, in deviation from the shareholders' preferential rights, transfers up to 210,000 of the Company's repurchased Class B shares to option holders at the established redemption price in connection with any exercise of call options (subject to any recalculations). Finally, the proposal of the Board of Directors means the Annual General Meeting approves that Class B shares acquired by the Company in line with earlier authorisation can also be transferred to guarantee the supply of shares in accordance with the proposed Programme.

The Company currently holds a total of 1,426,706 Class B shares in the Company.

The proposal was prepared by the Company's Compensation Committee in consultation with the Company's Board of Directors. The decision to propose the Programme to the Annual General Meeting was taken by the Board of Directors. The Company's directors are not covered by the Programme.

The Programme has the following key conditions:

- a) The number of call options issued should not exceed 210,000, corresponding to approximately 0.7 percent of the total number of shares and approximately 0.6 percent of the total number of votes in the Company (including Class B shares owned by the Company). Each call option entitles its holder to acquire one (1) repurchased Class B share in the Company during the period starting 13 September 2021 until 10 June 2022. However, the acquisition of shares may not take place during such a period when trading in shares in the Company is prohibited pursuant to Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on Market Abuse (Market Abuse Regulation) (or other at any given time equivalent legislation).
- b) The acquisition price of shares when exercising call options is to correspond to 120 percent of the volume-weighted average price for the Company's Class B shares on the Nasdaq Stockholm exchange during the period from 24 August 2018 through 7 September 2018. This redemption price may be recalculated during the maturity of the call option program under certain conditions.
- c) The right to acquire call options shall apply to Group management and another 14 executives of the Bergman & Beving Group with the direct possibility to influence the Group's earnings. The President & CEO will be offered a maximum of 30,000 call options, five individuals will be offered a maximum of 20,000 call options and the others a maximum of 8,000 call options.
- d) If an individual entitled to receive an allotment refrains, in whole or in part, from acquiring the offered call options then such unacquired call options will be distributed pro rata between the individuals entitled to receive call options who have presented a written application stating that they are interested in acquiring additional call options.

- e) The Board of Directors is to decide on the final distribution in accordance with the principles presented in items c) and d) above.
- f) A notification to acquire call options must be made not later than 11 September 2018.
- g) The premium for call options shall correspond to the market value of the call options using an external independent assessment in accordance with the Black & Scholes model. The measurement period for the assessment of the option premium is to be based on the volume-weighted average price for the Company's Class B shares on the Nasdaq Stockholm exchange during the period from 24 August 2018 through 7 September 2018. The assessment will be conducted by Nordea Bank AB (publ).
- h) Based on a price for the Company's share of SEK 94, and on other market conditions existing on 10 July 2018 and the Board of Director's proposal for a dividend for the 2017/2018 operating year, the value per option has been calculated by the rating institute referred to above at SEK 5.95, which gives a total value for all options of approximately MSEK 1.3.
- i) Issuing call options to employees outside of Sweden is dependent on tax effects, that there are no legal obstacles and that the Board of Directors considers such an issue can take place with reasonable administrative and economic resources. The Board of Directors shall have the right to make minor adjustments to the Programme brought about by applicable foreign laws and rules.
- j) Call options are freely transferable taking into account pre-emption agreement with the company. Pre-emption of call options shall be at market value. The company is entitled to repurchase issued call options.
- k) The number of shares that the call options entitle holders to acquire, and the redemption price, may be recalculated due to stock dividends, the consolidation or split of shares, new share issues or a reduction in share capital or similar measures. The time for the transfer of shares may be brought forward due to a merger or similar measures.
- l) To encourage participation in the Programme, a subsidy in the form of a cash gross salary will be made to the holder of the option corresponding to the paid premium for each call option. The subsidy will be paid in September 2020 provided the holder of the option has not been terminated from the Group or that the call options acquired from the Company were not divested before this date.
- m) The company has a right to repurchase the call options from the holder if the option holder does not wish to use all acquired call options and report this to the Company during the Redemption Period. Acquisition of options shall be at a price that at any given time corresponds to the highest market value. Repurchases of call options cannot, however, take place during such period as trading in shares in the Company is prohibited by Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on Market Abuse (Market Abuse Regulation) (or any other applicable legislation in force).

- n) Within the framework of the conditions and guidelines stated above, the Board of Directors is responsible for preparing and managing the details of the Programme.
- o) The complete terms and conditions for the options are presented in an appendix on the Company's website at www.bergmanbeving.com.

The costs of the Programme mainly comprise the subsidy to be paid in September 2020 as above, and the social security fees that will accrue on this subsidy as well as administrative costs for recruiting external consultants and providers of administrative services in connection with the design of the call option programme. The total cost of the subsidy, including social security fees, is estimated at approximately MSEK 1.3 after corporate tax (based on the market conditions on 10 July 2018). Offsetting the subsidy is the option premium totalling approximately MSEK 1.3, which the Company will receive when transferring the call options, which is why the Programme does not entail any net cost to the Company's equity.

The grounds for deviating from the shareholders' preferential rights and the Board of Director's motives for implementing the Programme are that executives of the Bergman & Beving Group through their own investment can participate and strive for a positive value performance for the Company's shares and thereby achieve a greater community of interest between these executives and the Company's shareholders. The purpose of the Programme is also to contribute to a long-term increase in share ownership by executives in Bergman & Beving. In addition, the Programme is expected to create the conditions to retain and recruit qualified personnel to the Bergman & Beving Group, provide competitive remuneration and unite the interests of shareholders and executives. The executives included in the Programme are a group that, in an otherwise decentralised organisation, have the opportunity to create a positive impact on earnings through cooperation and efficiency enhancements. Against this background, the Board of Directors considers the implementation of the Programme has a positive impact on the continued development of the Bergman & Beving Group and that the Programme benefits both shareholders and the Company.

The Company already has a share-based incentive programme, "2017 Share-based incentive programme". As part of the 2017 programme, 10 executives acquired a total of 160,000 call options, which entitle holders to acquire an equal number of Class B shares in the Company. The redemption price for these call options is set at SEK 118.50 per share and the redemption period for the period from 14 September 2020 until 11 June 2021. When these 160,000 call options are exercised, the number of outstanding Class B shares will increase by 160,000 shares. These 160,000 shares correspond in full to previously repurchased Class B shares in the Company.

The resolution at the general meeting of shareholders as proposed by the Board of Directors above, is only valid if it is supported by shareholders representing at least nine-tenths of the votes cast and the shares represented at the meeting.

Item 18 Resolution regarding the authorisation of the Board to decide on the acquisition and conveyance of treasury shares

The Board proposes that the AGM resolve to authorise the Board, prior to the next AGM, to acquire a maximum number of Class B shares so that the Company's holding of treasury shares at no time exceeds 10 percent of the total number of shares in the Company. Acquisitions are to be carried out on Nasdaq Stockholm in accordance with the stock exchange rules at a price that is within the registered price range at any given time, meaning the range between the highest purchase price and the lowest selling price. Acquisitions are to be paid for in cash and may be carried out on one or more occasions.

The Board also proposes that the AGM authorise the Board, prior to the next AGM, to divest Class B shares held in treasury by the Company in a manner other than on Nasdaq Stockholm. This mandate may be utilised on one or more occasions and encompasses all shares held in treasury by the Company at the time of the Board's decision. The mandate also entitles the Board to decide to disapply the shareholders' preferential rights and stipulates that payment may be made by other means than money.

The purpose of this authorisation is to be able to adapt the Group's capital structure and to pay for future acquisitions of businesses and operations using treasury shares. Holdings of treasury shares are also used to secure the Company's obligations under the suggested share-based incentive programme and the incentive programme adopted at the 2017 AGM.

In accordance with Item 16, a resolution on the Board's motion requires the support of shareholders representing at least two-thirds of the votes cast and the shares represented at the AGM.

Item 19 a Reduction of the share capital by way of cancellation of repurchased own shares

The board proposes that the annual general meeting 2018 (the "Meeting") resolves to reduce the company's share capital with a total of SEK 2,000,000. The reduction shall be made by cancellation of 1,000,000 shares of series B repurchased by the company by virtue of the authorisation granted by a previous annual general meeting to be transferred to an unrestricted reserve to be used in accordance with item b) below.

Item 19 b Increase of the share capital by way of bonus issue

In order to restore the share capital after the proposed reduction of the share capital as set out above, the board proposes that the Meeting simultaneously resolves to increase the share capital through a bonus issue of SEK 2,000,000 through a transfer of SEK 2,000,000 from the company's unrestricted equity. No new shares shall be issued in connection with the bonus issue.

The board or the person appointed by the board shall be entitled to make such minor adjustments to the above resolutions as may be required to register the resolutions with the

Swedish Companies Registration Office or Euroclear Sweden AB and to take the measures required to execute the resolutions.

Resolutions by the Meeting in accordance with item 19 a-b above shall be adopted as a joint resolution. A resolution shall be valid only where supported by not less than two-thirds of both the votes cast and of the shares represented at the Meeting.

SHARES AND VOTES

The Company has issued a total of 28,436,416 shares, of which 1,062,436 are Class A shares and 27,373,980 are Class B shares, 1,426,706 of which are held in treasury by the Company. After deducting the shares held by the Company, the total number of votes amounts to 36,571,634. The above information pertains to the conditions at the time this notice was issued.

SHAREHOLDERS' RIGHT TO REQUEST INFORMATION

According to Chapter 7, Sections 32 and 57 of the Swedish Companies Act, upon request from a shareholder and provided the Board determines that it is possible to do so without causing material damage to the Company, the Board and the CEO are required to provide information about any circumstances that could impact the manner in which an item on the agenda is addressed as well as any circumstances that could impact the assessment of the Company's financial situation. This disclosure obligation also encompasses the Company's relationships with other Group companies, the consolidated financial statements and any interactions with subsidiaries as described above.

DOCUMENTS

Accounting documents and the auditor's report and complete proposals of the Board of Directors for resolution under items 9b (including the statement of the Board of Directors in accordance with Chapter 18, Section 4 of the Swedish Companies Act), 16 (including the auditor's statement in accordance with Chapter 8, Section 54 of the Swedish Companies Act, 19 (including the statement by the Board pursuant to Chapter 20, section 13 of the Swedish Companies Act and auditor's report pursuant to Chapter 20, section 14 of the Swedish Companies Act) and the Compensation Committee's evaluation of the application of the guidelines for remuneration of senior management as resolved by the AGM) and 17 (2018 share-based incentive programme and 18 (including the statement from the Board of Directors in accordance with Chapter 19, Section 22 of the Swedish Companies Act) on the agenda will be made available by the Company on the Company's website, www.bergmanbeving.com, from 19 July 2018 and will be sent to shareholders who so request and who provide their postal address. The Election Committee's proposals and reasoned statements are available on the Company's website, www.bergmanbeving.com, from 19 July 2018.

Stockholm, July 2018

BOARD OF DIRECTORS

BERGMAN & BEVING

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CONTACT INFORMATION

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The information in this document is such that Bergman & Beving AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 18.00 CET on 19 July 2018.

Bergman & Beving owns and refines companies that develop and market strong brands for professional users in industry and construction, mainly in the Nordic region, the Baltic States and Poland. Bergman & Beving aims to enable successful product companies to take the next step and become leading brands in their categories. The Group currently has some 15 brands, about 1,000 employees and revenue of approximately SEK 3.8 billion. Bergman & Beving is listed on Nasdaq Stockholm. Read more on the company's website: www.bergmanbeving.com.