

Press release 7 May 2020

Resolutions made at Mekonomen's Annual General Meeting 2020

The Annual General Meeting of Mekonomen Aktiebolag (publ) was held at 11 a.m. on Thursday, 7 May 2020 in Stockholm.

Income statements and balance sheets

The Annual General Meeting adopted the parent company and consolidated income statements and balance sheet for the 2019 financial year.

Discharge from liability

The Annual General Meeting granted the board members and CEO discharge from liability for the preceding financial year.

Appropriation of the result

The Annual General Meeting resolved that no dividend for the financial year 2019 is to be paid and that the available funds be carried forward.

Board of Directors

The Annual General Meeting resolved that the number of board members shall be seven, with no deputies. Eivor Andersson, Kenny Bräck, Joseph M. Holsten, Magnus Håkansson, John S. Quinn, Helena Skåntorp and Arja Taaveniku were re-elected as directors. John S. Quinn was re-elected as Chairman of the Board.

The Annual General Meeting resolved that directors' fees of SEK 620,000 shall be paid to the Chairman of the Board, SEK 400,000 to the Vice Chairman of the Board, and SEK 300,000 to each of the other directors elected by the Annual General Meeting. The following fees shall be paid for committee work: SEK 120,000 to the Chairman of the Audit Committee and SEK 50,000 to each of the other members of the Audit Committee, and SEK 45,000 to the Chairman of the Remuneration Committee and SEK 25,000 to each of the other members of the Remuneration Committee.

Auditor

The Annual General Meeting re-elected the PricewaterhouseCoopers AB (PwC) as the auditor for a term until the end of the 2021 Annual General Meeting. PwC has informed the Company that Linda Corneliussen will be the auditor in charge. The auditor's fee shall be paid in accordance with an approved account.

Guidelines for compensation of senior executives

The Annual General Meeting adopted guidelines of remuneration of senior executives in accordance with the Board of Director's proposal.

Long-term share-based incentive program

The Annual General Meeting resolved to introduce a long-term share-based incentive program (LTIP 2020), in accordance with the Board of Directors' proposal.

LTIP 2020

LTIP 2020 includes approximately 30 employees, consisting of the members of the Group Management and certain other key persons in the Mekonomen Group. Participation in LTIP 2020 requires that the participant has a personal shareholding in Mekonomen AB that is allocated to LTIP 2020. The CEO of Mekonomen AB can invest a maximum of 5 000 shares in Mekonomen AB, the members of Mekonomen's Group Management excluding the CEO can invest a maximum of 3 000 shares in Mekonomen AB, members of the management teams of Mekonomen's subsidiaries can invest a maximum of 1 200 shares in Mekonomen AB and certain selected key selected employees to participate in LTIP 2020 can invest a maximum of 800 shares in Mekonomen AB. After the vesting period, the participants will be allocated shares in Mekonomen AB free of charge, provided that certain conditions are met. These conditions are linked to continued employment in the Mekonomen Group, a personal shareholding in Mekonomen AB and certain financial key ratios and performance targets are met. The financial key ratios and performance targets refer to the total shareholder return on Mekonomen AB's share during the period 1 April 2020 – 31 Mars 2023 and that certain target levels are achieved relating to decrease of Net Debt/EBITDA and growth in adjusted EBIT for the financial years 2020-2022. The maximum number of shares in Mekonomen AB that can be allocated under LTIP 2020 shall be limited to 255,000.

The Company intends to enter into an equity swap agreement with a bank to ensure the delivery of shares under the LTIP 2020, according to which the bank in its own name shall be able to purchase and transfer shares in Mekonomen to the participants in accordance with LTIP 2020.

Employees' acquisition of shares in subsidiaries

The Annual General Meeting resolved, in accordance with the Board of Directors' proposal, that store and workshop managers in wholly owned store and workshop subsidiaries be allowed to acquire a maximum of nine percent of the shares in the respective individual store and workshop companies. The resolution covers a maximum of ten store or workshop companies.

Authorization

The Annual General Meeting resolved, in accordance with the Board of Directors' proposal to authorize the Board of Directors, for the period up to the next AGM,

on one or more occasions, with or without preferential rights for shareholders, to decide on the issue of a maximum of 5,641,662 new shares, corresponding to a maximum of 10 per cent of the share capital.

Articles of Association

The Annual General Meeting resolved, in accordance with the the Board of Directors' proposal, to amend paragraphs 1, 11 and 12 of the Articles of Association by reasons of rules on shareholders' rights.

Complete information and resolutions

Complete documentation about the Annual General Meeting's resolutions will be available on Mekonomen's website: www.mekonomen.com

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