



Statement ChemoMetec Ahead of AGM

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ChemoMetec has built a strong global niche position in high quality analytical equipment for cell counting over many years. Its products and consumables generate productivity gains in critical research areas such as cell-based therapy, cancer and stem cell research. It does so profitably and is generating a handsome cash flow for its shareholders, with a solid balance sheet with over 300 DKKm net cash.

However, in order to achieve a continued long term success, we believe the company needs to take steps to improve how it communicates with the market and make reforms in its corporate governance policies. In a recent research note from SEB, comparing ChemoMetec with Danish peers within health and medical technology, the company unfortunately stands out in terms of non- or only partly compliance with Danish recommendations on corporate governance. Despite taking concrete positive steps to improve over recent years, ChemoMetec is still noncompliant or only partly compliant on 11 of 40 recommendations, compared to only three at the next worse peer.

All structural, durable improvement starts at the top. To ensure that the board is elected in a professional manner, *we propose that the company institute a nomination committee at its annual general meeting on October 10.* As mentioned, there are several steps that the company could and should take to improve corporate governance. We would view the institution of a nomination committee for selecting board members as a particularly positive step in the direction of quality and maturity of the company.

Denmark is, like its Scandinavian cousins, an open economy, which is a policy that we think has served our nations well. ChemoMetec is an excellent example of success within the Danish cluster in health and medical technology. As all such clusters it is worth defending, preserving and growing. Every step on the journey toward quality and maturity the company can take improves its chances to act from a position of strength in the future.



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Risk information

Historical returns are no guarantee of future returns. The money invested in the fund can both increase and decrease in value and it is not certain that an investor will get back all the invested capital.

Attachments

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