

Press Release  
Kista, Sweden, 17 March 2020

## **Notice to attend the Annual General Meeting in NOTE AB (publ), Thursday 23 April 2020**

The shareholders of NOTE AB (publ), reg. no. 556408-8770 (the “**Company**” or “**NOTE**”), are hereby given notice to attend the Annual General Meeting (the “**AGM**”) of shareholders on Thursday 23 April 2020 at 2:00 p.m. at Spårvagnshallarna, Birger Jarlsgatan 57 A, Stockholm, Sweden. Registration for the AGM will commence at 1:15 p.m.

### **Notice of participation**

Shareholders wishing to participate at the AGM shall:

- be registered in the share register maintained by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organisation) by no later than Friday 17 April 2020,
- notify the Company of their intention to participate at the AGM by no later than Friday 17 April 2020.

Notification is possible by e-mail, [info@note.eu](mailto:info@note.eu), or by telephone on +46 (0)8 568 990 00. A written notification can also be sent to NOTE AB, Box 1285, 164 29 Kista, Sweden. Notifications shall state personal or corporate names, personal or corporate identity numbers, number of shares, addresses and telephone numbers. Shareholders wishing to bring one or two assistants must notify the Company thereof in the time and manner applicable for shareholders.

Personal data obtained from the share register kept by Euroclear Sweden AB, notices and attendance at the Meeting and information on representatives, proxies and assistants will be used for registration, preparation of the voting list for the Meeting and, where appropriate, the minutes of the Meeting. The personal data is handled in accordance with the General Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council). For full information regarding the Company’s handling of personal data, please refer to our privacy policy: <https://www.note.eu/wp-content/uploads/2018/05/NOTE-Privacy-policy.pdf>.

For entitlement to participate in the AGM, shareholders with nominee-registered holdings must temporarily re-register their shares in their own name in the share register through the agency of their nominee well in advance of Friday 17 April 2020.

The number of shares and votes of the Company amounts to 28,872,600 as of the date of this notice. The Company own 1,000,000 of its own shares as of the date of this notice.

### **Proxy**

Shareholders represented by proxy shall issue a dated power of attorney for the proxy. If issued by a legal entity, the power of attorney must be signed by an authorised representative and be accompanied by a registration certificate or other documents attesting to the authority of the signatory. A copy of the power of attorney form and a registration certificate or other documents attesting the authority of the signatory ought to be sent by mail to the Company well in advance of the Meeting at the address Box 1285, 164 29 Kista, Sweden. The original version of the power of attorney form shall also be presented at the Meeting. A power of attorney form is available for download on the Company’s website, [www.note.eu](http://www.note.eu).

### **PROPOSED AGENDA**

1. Opening of the Meeting.
2. Election of Chairman and a person to keep the minutes of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of the Board of Directors’ proposed agenda.
5. Election of one or two people to attest the minutes.
6. Determination of whether the Meeting has been duly convened.

7. Report on the work of the Board of Directors.
8. Submission of the annual report, auditor's report, consolidated accounts and the consolidated audit report.
9. Resolution
  - a. regarding the approval of the profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet,
  - b. regarding the allocation of the Company's results in accordance with the adopted balance sheet,
  - c. regarding discharge from liability for the members of the Board of Directors and the Chief Executive Officer.
10. Approval of the number of Board members and auditors to be elected by the Annual General Meeting.
11. Approval of remuneration to the Board of Directors and auditors.
12. Election of
  - a. Board of Directors,
  - b. auditors.
13. Approval of the Nomination Committee's proposal for instructions for the Nomination Committee.
14. Approval of the Board of Directors' proposed guidelines for remuneration to the senior executives.
15. Resolution regarding authorisation for the Board of Directors to decide on acquisition and sales of treasury shares.
16. Resolution regarding authorisation for the Board of Directors to decide on new issue.
17. Resolution to a) reduce the share capital by way of cancellation of repurchased treasury shares and b) increase the share capital by way of bonus issue.
18. Resolution regarding amendments of the Articles of Association.
19. Closing the Meeting.

#### **Nomination Committee proposals (items 2 and 10-13)**

The Nomination Committee of the Company has consisted of the following members: Johan Hagberg (own holdings), Martin Nilsson (Catella Fondförvaltning), Niklas Johansson (Handelsbanken Fonder) and Thomas Tang (MediumInvest A/S). Martin Nilsson has been the Chairman of the Nomination Committee.

Item 2. Andreas Wirén is proposed as Chairman of the Meeting.

Item 10. The Board of Directors is proposed to consist of six (6) ordinary members without deputies. An accounting firm is proposed to be appointed as auditor.

Item 11. It is proposed that board fees and remuneration for committee work be paid as follows (fee 2019 in parentheses);

- Chairman of the Board: SEK 255,000 (SEK 255,000),
- each of the other Board members: SEK 140,000 (SEK 140,000),
- Chairman of the Audit Committee 65,000 (SEK 65,000),
- member of the Audit Committee 35,000 (SEK 35,000),
- Chairman of the Remuneration Committee SEK 20,000 (SEK 20,000) and
- member of the Remuneration Committee SEK 10,000 (SEK 10,000).

Auditors' fees are proposed, in accordance with the Audit Committee's recommendation, to be paid according to open account.

Item 12. a) Re-election of the following Board members is proposed: Anna Belfrage, Kaj Falkenlund, Johan Hagberg, Bahare Hederstierna, Claes Mellgren and Charlotte Stjerngren. Johan Hagberg is proposed as Chairman of the Board.

Further information about the proposed Board members is available on [www.note.eu](http://www.note.eu).

Item 12. b) Re-election of the auditing firm Öhrlings PricewaterhouseCoopers AB (PwC) for the period until the end of the next Annual General Meeting is proposed, in accordance with the recommendation

of the Audit Committee. PwC has stated that if it is elected, PwC will appoint Niklas Renström as Auditor in Charge.

Item 13. It is proposed that the Nomination Committee's instructions be adjusted by (i) "at 30 September" being added to the first sentence of the instruction and (ii) the sentence "When preparing proposals for the election of a member of the Board of Directors of the Company, the Nomination Committee shall assess whether the Board member can allocate the required time for the Board assignment in the light of the proposed Board member's other duties and commitments" is added to the Nomination Committee's instruction paragraph four. New instructions for the Nomination Committee are proposed with the following wording.

The Nomination Committee shall be formed by the four largest shareholders by votes at 30 September, that wish to participate, at least six months prior to the Annual General Meeting, each appoints a member, with the Company's Chairman of the Board as convener. When assessing who the four largest shareholders are, by the number of votes, a group of shareholders should be considered as one shareholder if they have been grouped as shareholders in the Euroclear system. Where one or more shareholders decline this right, the next-largest shareholder shall be offered the corresponding opportunity. When a shareholder is contacted with a request of appointing a member in the Nomination Committee, the Chairman of the Board shall establish necessary administrative rules, such as a last reply date etc. In addition, the Nomination Committee shall observe what, from time to time, is stated in the Swedish Corporate Governance Code. The names of the four members shall be published as soon as they are appointed.

The majority of the members of the Nomination Committee shall not be Board members and the Chief Executive Officer or any other member of management shall not be a member of the Nomination Committee. Unless the members agree otherwise, the Chairman of the Nomination Committee shall be the member representing the largest shareholder in terms of voting rights. However, a Board member shall not be Chairman of the Nomination Committee. The Nomination Committee's mandate runs until a new Nomination Committee has been appointed.

If a shareholder is no longer one of the four largest shareholders in the Company, its representative shall make its seat available, and any shareholder that has become one of the four largest shareholders shall be offered a seat in the Nomination Committee. A shareholder which has appointed a member of the Nomination Committee is entitled to dismiss such member and appoint a new representative. If, for any other reason, some representative leaves the Nomination Committee before its work is concluded, the shareholder that has appointed the representative shall be offered the opportunity to appoint a new representative. Changes in the Nomination Committee shall be made public.

The Nomination Committee shall prepare a proposal for Chairman of the Annual General Meeting, Board of Directors, Chairman of the Board, directors' fees, instructions for the Nomination Committee and when applicable, the auditors and remuneration of auditors to be submitted to the Annual General Meeting (and where applicable, Extraordinary General Meetings) for resolution. When preparing proposals for the election of a member of the Board of Directors of the Company, the Nomination Committee shall assess whether the Board member can allocate the required time for the Board assignment in the light of the proposed board member's other duties and commitments

On demand from the Nomination Committee, the Company shall provide personnel resources such as secretarial functions for the Nomination Committee to facilitate the work of the Nomination Committee. If required, the Company shall also bear reasonable costs for external consultants that the Nomination Committee considers necessary for the Nomination Committee to be able to perform its duties.

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

#### **Board of Director proposals (items 9b and 14-18)**

### **Resolution regarding the allocation of the Company's results in accordance with the adopted balance sheet (item 9b)**

The Board of Directors proposes that the Company pays a dividend to the shareholders of SEK 1,20 per share with Monday 27 April 2020 as the record date. Given this record date, Euroclear Sweden AB is scheduled to pay the dividends on Thursday 30 April 2020.

The Board of Directors reminds that the Company's total profits, according to the balance sheet as of 31 December 2019, amounts to SEK 77,273,888, and accordingly exceed the proposed total dividend of at the most SEK 33,447,120 by SEK 43,826,768.

### **Approval of the Board of Directors proposed guidelines for remuneration to the senior executives (item 14)**

The Board of Directors proposes guidelines on remuneration to the Chief Executive Officer and other senior executives. The guidelines also apply to prospective remuneration to Board members in addition to the board fee. The guidelines apply to remuneration agreed to after the Annual General Meeting 2020 and to amendments to already agreed remunerations which are made thereafter. These guidelines do not apply to remuneration resolved by the General Meeting.

### **The guidelines' promotion of the Company's business, long-term interests and sustainability**

In order to successfully act on the market and safeguard the Company's long-term interests, including its sustainability, it is required that NOTE is able to recruit and retain qualified employees. The total remuneration to the Company's employees shall therefore be marketable and competitive and be related to responsibility and competence.

### **Forms of remuneration, etc.**

The remuneration may consist of the following components: fixed salary, variable remuneration in accordance with separate agreements, pension and other benefits. The General Meeting may in addition – irrespective of these guidelines – resolve on, for instance share or share price-based remuneration.

#### *Fixed salary*

The fixed salary shall consist of fixed cash salary and shall be reviewed yearly. The fixed salary shall reflect the demands of the position held regarding competence, responsibility, complexity and in which way the remuneration promotes the business targets. The fixed salary shall also reflect the performance of the executive and is therefore individual and differentiated.

#### *Variable remuneration*

In addition to the fixed salary, the Chief Executive Officer and other senior executives may, in accordance with separate agreements, receive variable remuneration upon fulfilment of the predetermined criteria. The variable remuneration shall be linked to one or several predetermined and measurable targets resolved by the Board of Directors. The outcome shall be linked to the fulfilment of targets of financial nature, such as earnings performance, growth and cash-flow, and if necessary, individually measurable targets and qualitative targets.

The targets are linking the managements remuneration to the Company's result and sustainability, and therefore promote the accomplishment of the Company's business strategy, long term interests and competitiveness. The criteria shall be valid for one financial year at a time. The fulfilment of the criteria for remuneration shall be measured yearly. In regard to financial targets, the assessment shall be based on the latest financial information made public by the Company. The criteria for variable remuneration is formulated in a way that allows the Board to, in case of exceptional financial circumstances, limit or abstain from payment of variable remuneration if such a measure is deemed reasonable.

Additional variable cash remuneration may be paid under exceptional circumstances if to reward extraordinary work contributions beyond the persons ordinary assignment. A decision regarding such remuneration shall be resolved by the Board after proposal from the Remuneration Committee. The total variable remuneration during a calendar year may not amount to more than 100% of the fixed salary.

### *Pension*

Pension benefits, including health insurance, for the Chief Executive Officer and other senior executives shall be fixed and the premiums may not exceed 30% of the fixed salary. Variable remuneration shall not contribute to the pension.

### *Other benefits*

Other benefits, which may include car benefit, travel benefit and health care insurance, shall be marketable and constitute a limited share of the total remuneration.

### **Termination of employment**

The notice period for termination for the Chief Executive Officer and other senior executives shall be 6 months when termination is made by the senior executive. When termination is made by the Company, the notice period shall not exceed 12 months. When termination is made by the Company, dismissal pay and severance pay shall not all in all exceed an amount equal to 24 months fixed salary.

Additional remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration may not exceed 100% of the fixed salary at the time of termination of employment and be paid during the time the non-compete undertaking applies, however not for more than 24 months following termination of employment.

### **Remuneration to the Board of Directors**

The Board of Directors of NOTE, elected by the General Meeting, may under certain circumstances and during a limited period be paid for services within their field of competence which is not board work. The remuneration for such services (including services conducted by a company wholly owned by the Board member) shall be marketable and the services shall contribute to NOTE's business and long-term interest, including sustainability.

### **Salary and employment conditions for employees**

In the drafting process of the Board of Directors' proposal of these guidelines, the salary and employment terms of the Company's employees have been taken into account by the inclusion of information on the employees' total income, the components of the remuneration and the remunerations increase and growth rate over time in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

### **Decision procedure**

The Board of Directors has established a Remuneration Committee, which shall, among other tasks, prepare principles for remuneration to the senior executives and the Board of Directors' proposal on guidelines for remuneration to senior executives. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and present it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by a General Meeting.

The Remuneration Committee shall also monitor and evaluate programmes for variable remuneration for the executives, the application of the guidelines for salary and other remuneration to the executives as well as the current remuneration structures and compensation levels in the Company.

Remuneration to the Chief Executive Officer shall be resolved by the Board of Directors within the scope of the approved guidelines after processing and recommendation from the Remuneration Committee. Remuneration to other senior executives shall be resolved by the Chief Executive Officer within the scope of the approved guidelines and after reconciliation with the Remuneration Committee. The Chief Executive Officer or other senior executives do not participate in the Board of Directors' processing of, and resolutions regarding, remuneration-related matters if they are affected by such matters.

### **Deviations from the guidelines**

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability.

Regarding employments which are subject to other legislation than Swedish legislation, appropriate adjustments regarding pension benefits and other benefits may be done in order to comply with mandatory statutes or local customs, whereby these guidelines' comprehensive purpose shall be catered as far as practically possible.

#### **Information regarding outstanding remunerations**

On 10 June 2019, new rules were implemented in the Swedish Companies Act, inter alia regarding the wording of the guidelines for remuneration. According to the transitional provisions, the proposal for guidelines for remuneration shall contain information regarding outstanding remuneration. There are no outstanding remunerations to senior executives save for the obligation to continuously pay remuneration such as fixed salary, pension and other benefits. For further information regarding remuneration to senior executives, see note 8 in the Annual Report.

#### **Resolution regarding authorisation for the Board of Directors to decide on acquisition and sales of treasury shares (item 15)**

The Board of Directors proposes that the AGM authorises the Board of Directors to, at one or more occasions and up to and including the next Annual General Meeting, resolve to acquire and/or sell treasury shares, mainly in accordance with the following terms:

Acquisition may be made with cash payment on Nasdaq Stockholm or in accordance with a tender offer to all the shareholders. Acquisition of shares may not result in the total holding of treasury shares, at any time, exceeding ten (10) percent of all shares in the Company at the time of the AGM's decision on the authorisation. Acquisition of shares on Nasdaq Stockholm may only be effected at a price within the currently effective registered price interval on Nasdaq Stockholm, meaning the price interval between the highest bid and the lowest ask price. Acquisition in accordance with a tender offer according to the above shall be effected at a price corresponding to at least the share price at the time of the offer with a maximum upward divergence of twenty (20) percent.

Sales of shares may take place on or outside Nasdaq Stockholm, with or without deviation from the shareholders' preferential rights and with or without payment in kind or payment by way of set-off. Such sales may be effected at a price within the currently effective registered price interval on Nasdaq Stockholm, meaning the price interval between the highest bid and the lowest ask price. The number of shares that may be sold should not amount to more than ten (10) percent of the total number of shares in the Company. Sales in connection with company acquisitions may be made at a market value as decided by the Board of Directors.

The purpose of the authorisation above to acquire and sell treasury shares is to enable financing of acquisition of operations through payment with treasury shares and to continuously adapt the Company's capital and share structure and thereby contribute to an increase in value for shareholders.

For a valid decision of the Meeting in accordance with the Board of Directors' proposal above it is required that the decision is seconded by shareholders representing at least two thirds (2/3) of the casted votes as well as of the shares represented at the Meeting.

#### **Resolution regarding authorisation for the Board of Directors to decide on new issue (item 16)**

The Board of Directors proposes that the AGM authorises the Board to resolve on issuance of new shares, at one or more occasions for the period until the end of the next Annual General Meeting. The issue of shares may not result in the total holding of treasury shares, at any time, exceeding ten (10) percent of all shares in the Company at the time of the AGM's decision on the authorisation.

Payment shall be made by cash, payment in kind or by offset. Issues with payment in cash or by set-off may take place with or without the shareholders' preferential rights, provided that the issue is carried out on market terms and conditions.

Deviation from the shareholders' preferential rights shall be allowed in order to allow flexibility in connection with any acquisitions or capital raising in connection with acquisitions.

For a valid decision of the Meeting in accordance with the Board of Directors' proposal above it is required that the decision is seconded by shareholders representing at least two thirds (2/3) of the casted votes as well as of the shares represented at the Meeting.

**Resolution to a) reduce the share capital by way of cancellation of repurchased treasury shares and b) increase the share capital by way of bonus issue (item 17)**

**a) Reduction of the share capital by way of cancellation of repurchased own shares**

The Board proposes that the General Meeting resolves to reduce the company's share capital with a total of SEK 500,000. The reduction shall be made by cancellation of 1,000,000 shares 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.

**The Board's statement pursuant to chapter 20, section 13, fourth paragraph of the Swedish Companies Act**

As statement pursuant to chapter 20, section 13, fourth paragraph of the Swedish Companies Act the Board state the following.

The decision to reduce the share capital pursuant to this item a) may be carried out without obtaining consent from the Swedish Companies Registration Office, or in the event of a dispute, permission from a public court, as the Company simultaneously carries out a bonus issue as referred to in item b) below, with an amount at least equivalent to the reduction of the share capital as described above. All in all, these measures do not reduce the Company's restricted equity or share capital. The effect of the board's proposal under this item a) is that the Company's restricted equity and share capital will decrease by SEK 500,000. The effect of item b) below is that the Company's restricted equity and share capital will increase by SEK 500,000 through a bonus issue and will therefore return at least to the amount it had before the decrease.

**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 General Meeting simultaneously resolves to increase the share capital through a bonus issue of SEK 500,000 through a transfer of SEK 500,000 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 General Meeting in accordance with item 17 a) – b) above shall be adopted as a joint resolution. A resolution shall be valid only where supported by not less than two-thirds (2/3) of both the votes cast and of the shares represented at the General Meeting.

**Resolution regarding amendments of the Articles of Association (item 18)**

The Board proposes that the General Meeting resolves to amend the Articles of Association regarding the record date for participation at the General Meetings in accordance with below following the amendment of rules in the Swedish Companies Act (2005:551).

<i>Current wording</i>	<i>Proposed wording</i>
<p><b>8. Notice of the Annual General Meeting, registration etc (third paragraph).</b> To participate at the general meeting, the shareholder shall be listed in a printout or other presentation of the entire share register relating to the conditions five weekdays before the general meeting and shall notify the company by no later than the day specified in the notice to attend the general meeting. The latter date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the general meeting.</p>	<p><b>8. Time and mode of convening and shareholders' notice to attend the general meeting etc. (third paragraph).</b> "A shareholder who wish to attend at the General Meeting shall notify the Company no later than the day specified in the notice to attend the general meeting. Such a date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the general meeting."</p>

Furthermore, the Board proposes that the General Meeting resolves on the below amendments of the Articles of Association.

<i>Current wording</i>	<i>Proposed wording</i>
<b>1. Registered name</b> The registered name of the company is NOTE AB (publ).	<b>1. Business name</b> <i>"The business name of the company is NOTE AB (publ)."</i>

<i>Current wording</i>	<i>Proposed wording</i>
<b>11. Record day provision</b> The company's shares shall be registered in a share register in accordance with the law (1998:1479) regarding the account management of financial Instruments.	<b>11. Record day provision</b> <i>"The Company's shares shall be registered in a central securities depository register in accordance with the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479)."</i>

The Board also proposes that the Annual General Meeting resolve to implement editorial amendments to the Articles of Association, which will be stated in the final proposal for resolution regarding amendments of the Articles of Association, which will be available at the Company and on the Company's website no later than three weeks before the Meeting.

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 as required due to other formal conditions.

The resolution shall be valid only where supported by not less than two-thirds (2/3) of both the votes cast and of the shares represented at the General Meeting.

#### **Shareholders' right to request information**

Pursuant to the Swedish Companies Act (Sw. *aktiebolagslagen*) the Board of Directors and the Chief Executive Officer shall, if any shareholder so requests and the Board of Directors deems that it can be made without substantial damage to the Company, at the Meeting provide information regarding circumstances which may affect the assessment of a matter on the agenda and circumstances which may affect the assessment of the Company's economic situation.

#### **Documentation for the Meeting**

Accounting records, audit report, the Nomination Committee's complete proposal and opinion, presentation of Board members, the Board of Director's complete proposals and other documentation required according to the Swedish Companies Act will be available at the Company at the address Borgarfjordsgatan 7 in Kista, Sweden, and at the Company's website, [www.note.eu](http://www.note.eu), no later than three weeks before the Meeting. The documentation will be sent free of charge to those shareholders that so request and provide their postal or e-mail address. All the documentation above will also be presented at the Meeting.

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Kista in March 2020

The Board of Directors of NOTE AB (publ)

#### *About NOTE*

*NOTE is one of northern Europe's leading EMS partners, producing PCBAs, subassemblies and box build products. NOTE's offering covers the complete product lifecycle, from design to after-sales. NOTE has a presence in Sweden, Finland, the UK, Estonia and China. Net sales in the last 12 months were SEK 1,760 million; the group has approximately 1,092 employees. NOTE is listed on Nasdaq Stockholm. For more information, please go to [www.note.eu](http://www.note.eu).*

*This information is information that NOTE AB (publ) is obliged to make public pursuant to Nasdaq Stockholm's Rule book for Issuers. The information was submitted for publication at 2:00 p.m. CET on 17 March 2020.*