



Press release, Stockholm 2018-03-26

## Notice of Annual General Meeting of Eniro AB

Welcome to the Annual General Meeting (AGM) of Eniro AB (publ), corporate identity number 556588-0936, ("Eniro or "the Company"), to be held on Wednesday, April 25, 2018 at 15.00 p.m. in the premises of Helio, Kista Timebuilding, Kistagången 12, Kista, Sweden. Registration to the AGM will open at 14.00 p.m., where coffee and cake will be served.

### Participation

A shareholder wishing to attend must:

- be recorded as a shareholder in the shareholder register maintained by Euroclear Sweden AB on Thursday, April 19, 2018, and
- give notice of attendance to the Company no later than Thursday, April 19, 2018.

Notice of attendance may be given in writing to Eniro AB, "Annual General Meeting", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, Sweden, by telephone +46 (0)8 402 90 44 on weekdays between 9 a.m. and 4 p.m. CET, or on the Company's website, [www.enirogroup.com](http://www.enirogroup.com), (natural persons only). When giving notice of attendance, please state name/company name, personal identity number/corporate identity number, address, telephone number, and the number of accompanying persons, if any.

Shareholders whose shares are held in trust in the name of a nominee must, in addition to giving notice of attendance, temporarily register their shares in their own names in the shareholder register (so-called voting rights registration) in order to be able to participate at the meeting. Such registration must be executed by Thursday, April 19, 2018, and should be requested at the bank or trustee well in advance of this date.

Shareholders who participate via proxy or representative should send authorization documents (power of attorney/and or certificate of registration) to the Company at the address above well in advance of the meeting. Proxy forms are available on Eniro's website: [www.enirogroup.com](http://www.enirogroup.com).

### Proposed agenda

1. Opening the meeting
2. Election of an AGM chair
3. Preparation and approval of voting register
4. Approval of the agenda
5. Election of two persons to check the minutes of the meeting
6. Determination of whether the meeting has been duly convened
7. CEO's address
8. Report by the Chairman of the Board on the work of the Board of Directors and of the board committees in 2017

9. Presentation of the annual report and auditor's report, the consolidated financial statements and the auditor's report on the consolidated financial statements, and the auditor's statement on whether the guidelines for remuneration of senior executives have been followed
10. Resolution on adoption of the income statement and balance sheet and of the consolidated income statement and consolidated balance sheet
11. Resolution on discharge of the directors and President from liability
12. Resolution on appropriation of the Company's result in accordance with the adopted balance sheet
13. Resolution on the number of directors and deputy directors to be elected by the meeting and the numbers of Election of auditors and any deputy auditors
14. Resolution on directors' and auditor's fees
15. Election of directors, the Chairman of the Board, and any deputy directors
16. Election of auditors and any deputy auditors
17. Resolution on the Nomination Committee
18. Resolution on guidelines for remuneration of senior executives
19. Resolutions on a) amendment of the Articles of Association b) reverse share split and c) authorization for the Board of Directors to decide on new share issue of ordinary shares
20. Resolution on authorization for the Board of Directors to decide on acquisition of treasury shares
21. Resolution on authorization for the Board of Directors to decide on new issues of ordinary shares
22. Closing of the meeting

## **Proposed resolutions**

### **Point 2 – AGM chair**

As a result of changes in the ownership structure after the implementation of Eniro's recapitalization plan during 2017, the composition of Eniro's Nomination Committee has changed. The Nomination Committee ahead of the 2018 AGM consists of Arne Myhrman, Chairman of the nomination committee, (appointed by LKM Venture Partners), Johnny Sommarlund (appointed by MGA Placeringar AB), Ilija Batljan (own shareholding and via companies) and Joachim Berner (Chairman of the Board of Eniro).

The Nomination Committee proposes attorney Ingrid Westin Wallinder for election as AGM chair.

### **Point 12 – Dividend**

The Board of Directors recommends that the 2018 AGM resolve that no dividend shall be paid, neither for ordinary nor preference shares.

### **Point 13 – Number of directors and auditors**

The Nomination Committee proposes that:

- the Board of Directors shall have four directors and no deputies (unchanged), and
- the Company shall have a chartered accounting firm as its auditor and no deputy auditor (unchanged).

### **Point 14 – Directors' and auditors' fees**

The Nomination Committee proposes that the following fees be paid to the Company's directors and auditors:

- SEK 750,000 to the Chairman of the Board (a decrease with SEK 350,000) and SEK 400,000 to each of the other directors elected by a general meeting (a decrease with SEK 20,000),
- except the directors' fees no remuneration for work in the board committees (earlier SEK 150,000 to the Chairman and SEK 75,000 to directors)
- SEK 1,500 for each meeting to each of the employee representative (as a preparation remuneration), and
- that the auditor's fees shall be paid in accordance with approved invoice.

#### **Point 15 – Election of directors and the Chairman of the Board**

The Nomination Committee's work regarding proposal of Directors to the Board proceeds and the Nomination Committee has informed the Company that the proposal will be submitted to the Company as soon as it is completed.

#### **Point 16 – Election of auditor**

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, re-election of the accounting firm PricewaterhouseCoopers AB as auditor for the period until the end of the 2019 AGM. PricewaterhouseCoopers has notified the Company that Michael Bengtsson will be appointed as chief auditor if the AGM resolves in favor of the proposal.

#### **Point 17 – Nomination Committee**

The Nomination Committee proposes that the AGM 2018 resolves on the following principles for appointing a Nomination Committee, mainly in accordance with previous years, and that they shall apply until another decision has been resolved by the AGM.

The Chairman of the Board shall contact the four largest shareholders based on Euroclear Sweden AB's list\* of registered shareholders as per the last business day of August. Each of the four largest shareholders shall have the opportunity to appoint a representative who, together with the Chairman of the Board, will constitute the Nomination Committee until such time that a new nomination committee has been appointed. If any of these shareholders chooses to refrain from its right to appoint a representative, the right shall pass to the shareholder that has the largest shareholding after these shareholders. Unless the members agree otherwise, the Nomination Committee chair shall be the member who represents the largest shareholder in terms of votes. However, the Chairman of the Board may not serve as Nomination Committee chair. No fees shall be paid to the members of the Nomination Committee. The composition of the Nomination Committee shall be publicly announced through a separate press release as soon as the Nomination Committee has been appointed and not later than six months prior to the AGM. This information shall also be posted on the Company's website, where information shall also be provided on how shareholders can submit proposals to the Nomination Committee.

A member of the Nomination Committee shall resign if the shareholder that appointed such member is no longer one of the four largest shareholders. Thereafter, a new shareholder in the order of largest shareholders shall be invited to appoint a member. However, only ten shareholders in turn need to be asked. Unless special reasons exist, however, no change shall be made in the Nomination Committee's composition if only minor changes in the number of votes have taken place or if a change takes place later than three months before the AGM. If a member of the Nomination Committee resigns from his or her assignment by his or her own accord before the committee's work has been completed, the shareholder that appointed the resigning member shall appoint a successor, provided that the shareholder is still one of the four largest shareholders in terms of

votes. The Nominating Committee has the right, if considered appropriate, to co-opt a member who is appointed by a shareholder that, after the Nomination Committee has been constituted, has become one of the four shareholders that have the largest shareholdings in the Company and that is not already represented on the Nomination Committee. Such co-opted member may not participate in decisions of the Nomination Committee.

The Nomination Committee's assignment shall be to submit recommendations prior to the AGM on the number of directors, the composition of the Board of Directors, the Chairman of the Board of Directors, directors' fees, any fees for committee work, election of the auditor and auditor's fees, and a person to serve as AGM chair. The Nomination Committee shall also submit recommendations to the AGM for the process for establishment of the following year's nomination committee. The Nomination Committee's recommendations shall be presented in the official notice of the AGM and on the Company's website.

*\*The ownership statistics that shall be used shall be sorted by voting power (owner-grouped) and include the largest owner-registered shareholders in Sweden, i.e., shareholders with accounts with Euroclear Sweden AB in their own names or shareholders who have a custody account with a trustee that has provided the shareholder's identity to Euroclear Sweden AB.*

#### **Point 18 – Guidelines for remuneration of senior executives**

The Board of Directors proposes that the 2018 AGM resolve to adopt the following guidelines for remuneration of senior executives for the time until the 2019 AGM.

The proposal is mainly in accordance with the guidelines adopted at the AGM 2017.

The guidelines are applicable for the CEO and other members in the Group management (currently four persons).

The objective is that Eniro shall offer compensation in line with the going rate in the market consisting of a fixed base salary, variable cash salary, and pension provisions and other remuneration and benefits. The 2016 AGM resolved in favor of a long-term share-based incentive program consisting of warrants (2016/2019).

The fixed base salary is based on the individual executive's responsibilities, competence and experience. Variable salary targets shall be set by the Board of Directors starting on January 1, 2018, and shall be based on the outcome in relation to defined and measurable targets – both joint and individual – and shall be capped in relation to the executive's base salary. The variable cash salary shall be capped at a maximum of 40 percent of the base salary. No variable cash salary is for the moment payable to the President. The Board of Directors sets the variable cash salary based on annual evaluations of the individual executive's achievement of the set targets. Payment of the variable salary component shall be conditional upon the long-term, sustainable achievement of the underlying targets. The company shall retain the right to demand reimbursement of variable salary if the award has been based on information that later proves to be manifestly incorrect.

Eniro's pension policy is based on either an individual occupation pension plan or a defined contribution pension plan, at a maximum of 35 percent of fixed salary.

Upon termination of employment at the Company's initiative, a notice period of a maximum of 12 months applies, and no severance pay is payable. In the event the employee gives notice; a notice

period of six months applies. For the CEO of the Company, Örjan Frid, a mutual notice period of six months applies, and no severance pay is payable.

Other remuneration and benefits, such as a company car and disability insurance, shall be on market terms.

The Board of Directors may depart from these guidelines in individual cases if special reasons exist.

The guidelines approved by the 2017 AGM have been adhered to.

The cost of cash variable remuneration for senior executives in 2018 is approximately SEK 0.5 M upon 50 percent target achievement and approximately SEK 1 M for 100 percent target achievement, excluding social security charges, based on the Group Management's current composition.

**Point 19 – Articles of Association, reverse share split and authorization for the Board of Directors to decide on new share issue of ordinary shares**

The Board of Directors proposes that the AGM resolves on a reverse share split of ordinary shares. Because of the new share issues resulting from Eniro's recapitalization plan the number of ordinary shares in the Company has increased significantly. The purpose of the reverse share split is to achieve an appropriate number of shares. In connection with the proposed reverse share split, the Board of Directors also proposes an amendment to the Company's Articles of Association regarding the limits on the number of shares, as well as an authorization for the Board of Directors to decide on a new issue of ordinary shares. The purpose of the authorization is to remunerate the guarantor for the shares held by the guarantor in the reverse share split with the aim of achieving a number of ordinary shares equal to 100 for each shareholder. Based on conditions in connection to the publication of this notice, the guarantor is expected to provide no more than approximately 900,000 ordinary shares Class A.

The Board of Directors proposals for decisions under items a) - c) below shall be adopted as a decision and conditional upon all being adopted by the meeting. Decisions under points a) - c) may be registered together or in whole or in part separately.

***a) Amendment of the Articles of Association***

In order to enable the reverse share split according to item b) below, the Board of Directors proposes that the AGM resolves to amend the limits on the number of shares in the Articles of Association as follows:

Current wording § 5:

"The number of shares shall amount to at least 2,500,000,000 shares and not more than 10,000,000,000 shares."

Proposed wording § 5:

"The number of shares shall amount to at least 25,000,000 shares and not more than 100,000,000 shares."

***b) Reverse share split***

The Board of Directors proposes a reverse share split of the Company's ordinary shares of 1: 100, meaning that 100 ordinary shares of Class A will be merged into one (1) ordinary share of Class A, and 100 ordinary shares of Class B will be merged into one (1) ordinary share of Class B.

Preference shares are not included in the reverse share split due to the preference shares prioritized position over ordinary shares, which will remain unchanged even after a reverse share split of ordinary shares.

The Board of Directors is authorized to determine the record date for the reverse share split.

A shareholder who, on the record date, does not hold a number of ordinary shares Class A that divides equal to 100, will free of charge, receive as many shares of Class A (1-99 shares) from a guarantor ("Gurantor"), after the addition of the shares provided from the Guarantor the shareholders holdings will be evenly divided by 100, so-called rounding upwards. The Board of Directors then intends, with the support of the authorization proposed under c) below, to decide on a directed new issue, with the deviation of shareholders preferential rights of ordinary shares Class A to the Guarantor, corresponding to the number of ordinary shares Class A provided by the Guarantor, to allow shareholders shares to be evenly divided by 100.

The CEO or the one appointed by the Board of Directors, is authorized to make the minor adjustments to the decision on the reverse share split that may be required in connection with the registration at the Swedish Companies Registration Office and Euroclear Sweden AB.

***c) Authorization for the Board of Directors to decide on new share issue of ordinary shares***

The Board of Directors proposes that the AGM authorizes the Board, on one or several occasions until the next AGM, to decide on a new issue of Class A shares in the Company with the deviation on shareholders' preferential rights. The purpose of the authorization is to issue shares to the guarantor who supplies ordinary shares in the reverse share split. The new share issue, supported by the authorization, may therefore be made at a maximum of as many ordinary shares Class A as the guarantor provides to those shareholders who, on the record date of the reverse share split, do not hold a number of ordinary shares evenly divided by 100. The newly issued shares may be subscribed in cash or with set-off rights. New share issue decided based on the authorization shall be at market subscription price. The CEO or the one appointed by the Board shall be entitled to make minor adjustments of the decision that may be required in connection with the registration at the Swedish Companies Registration Office, including transferring funds to the Company's restricted equity.

**Point 20 – Resolution to authorize the Board of Directors to decide on acquisition of treasury shares**

The Board of Directors proposes that the AGM authorize the Board of Directors to decide on the acquisition of the Company's treasury shares during the period before the next AGM in accordance with the following conditions:

- Acquisitions may be made by preference shares.
- Acquisitions must be made at Nasdaq Stockholm or in block transactions within the regulatory framework governed by Nasdaq Stockholm.
- Acquisitions may occur on one or more occasions before the next AGM.
- A maximum number of shares may be acquired so that the Company's holdings at any time do not exceed ten (10) percent of the total number of issued shares in the Company.
- Acquisitions may be made at a price within the current price range at Nasdaq Stockholm.

The purpose of the repurchase is to give the Board of Directors an increased scope for action in creating a purposeful capital structure. The authorization may only be exercised if the Company

issues shares at the same time as the repurchase shares corresponding to the amount paid for the repurchased shares.

#### **Point 21 – Authorization of the Board of Directors to decide on new issues of ordinary shares**

The Board of Directors proposes that the AGM resolve in favor of authorizing the Board of Directors to, with or without deviation from the shareholders' preferential right to, on one or more occasions during the time until the next AGM, decide on new issues of ordinary shares in the Company. A new issue decided upon pursuant to this authorization that is carried out with deviation from the shareholders' preferential rights may be made with a maximum number of ordinary shares that corresponds to thirty (30) percent of the total number of ordinary shares in issue in the Company at the time this authorization was first used. It shall be possible to subscribe for the newly issued shares through payment in cash, in kind, with set-off rights or on terms stipulated in Ch. 2 § 5 of the Swedish Companies Act. A new issue decided pursuant to this authorization that is carried out with deviation from the shareholders' preferential rights shall be made at the market subscription price, with reservation for a market-based issue discount for directed new issues. For a new issue carried out with preferential rights for the Company's shareholders, the subscription price may be set at a lower amount than the share's market value. The purpose of this authorization and the reason for any deviation from the shareholders' preferential rights is that it shall be possible to carry out new issues to strengthen the Company's shareholders' equity. The President, or person designated by the Board of Directors, shall be entitled to make the minor adjustments to the resolution that may be necessary in connection with registration with the Swedish Companies Registration Office, including, where applicable, transferring funds to the Company's restricted shareholders' equity.

#### **Special majority requirements**

Resolutions in favor of points 19, 20 and 21 are valid only if they have the support of shareholders with a least two-thirds of the votes cast as well as of the shares represented at the AGM.

#### **Shares and votes**

The total number of shares in the Company on the day this notice was issued was 6,624,702,322 of which 6,140,572,579 were ordinary shares of Class A with one vote each, 483,870,966 were ordinary shares of Class B with one-tenth vote each and 258,777 preference shares, with one-tenth of a vote each, corresponding to a total of 6,188,985,553.3 votes. The Company's treasury shares on the same date amount to 1,703,266 ordinary shares Class A, corresponding to an equal number of votes, which cannot be represented at the AGM.

#### **Disclosures at the Annual General Meeting**

The Board of Directors and the CEO shall, if any shareholder requests and if the Board of Directors is of the opinion that it can be done without causing material harm to the Company, provide disclosures about conditions that may influence an assessment of an item of business on the agenda, conditions that may influence an assessment of the Company's or a subsidiary's financial situation, and the Company's relationship to other Group companies.

#### **Documents**

Documents that are to be kept on hand pursuant to the Swedish Companies Act will be available from the Company, at Kistagången 12, in Kista, and on the Company's website,

www.enirogroup.com, not later than three weeks before the AGM and will be sent upon request to shareholders who have provided their postal address.

As soon as the Nomination Committee's work is completed, the Nomination Committee's proposal and reasoned statement regarding proposed Board of Directors and information about the proposed board members will be available at the Company and the Company's website.

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Stockholm, March 2018  
Eniro AB (publ)  
*The Board of Directors*