

NOTICE OF ANNUAL GENERAL MEETING IN ARJO AB

The shareholders of Arjo AB (publ), Reg. No. 559092-8064, are hereby invited to attend the Annual General Meeting (the “**AGM**”) to be held on Monday 29 June 2020 at 11.00 a.m. CET, at Arjo’s headquarters at Hans Michelsensgatan 10, Malmö, Sweden.

SPECIFIC MEASURES DUE TO THE CORONA VIRUS

Arjo strives to contribute to the work of limiting the spread of the new corona virus in the best possible way. Hence, the Arjo Board of Directors has decided to take certain precautions in connection with the AGM.

- Arjo encourages shareholders to make use of the option to vote by post in order to reduce the number of participants attending the AGM in person, and thus contribute to reducing the spread of the virus. Please find more information about postal voting below.
- The AGM will be conducted in a simpler form than previous years and be shortened.
- Attendance by Board of Directors and management will be limited.
- No food or drinks will be served.
- No gifts will be handed out.
- The CEO will not hold the usual presentation, but a prerecorded presentation will be published on the company website after the AGM.
- The number of present non-shareholders will be limited.

Arjo monitors the effects of the Corona virus outbreak closely and might, with short notice, have to leave updated information via the website, www.arjo.com.

RIGHT TO ATTEND

Shareholders who wish to attend the AGM must:

- be recorded in the share register kept by Euroclear Sweden AB (the Swedish Central Securities Depository), on Tuesday 23 June 2020, and
- notify the company of their intention to attend the AGM by Tuesday 23 June 2020, preferably before 4.00 p.m. CET.

In order to participate in the AGM, shareholders with nominee-registered shares should request their bank or broker to have the shares temporarily owner-registered with Euroclear Sweden AB by Tuesday 23 June 2020. Therefore, shareholders are requested to notify their nominees in due time before the said date.

NOTICE OF ATTENDANCE

Notice of attendance shall be made in writing to Arjo AB, "AGM", c/o Euroclear Sweden, P.O. Box 191, SE-101 23 Stockholm, Sweden, or by telephone +46 10-335 47 00, or on the company's website, www.arjo.com. The notice of attendance shall state name, personal (or corporate) identity number, telephone number and name of advisor, if any. An entrance card to be shown when registering for the AGM will be sent in confirmation of the notice of attendance. Shareholders represented by proxy should submit a power of attorney to the company before the AGM. A proxy form is available at the company and on the company's website, www.arjo.com. Representatives of a legal entity shall present a copy of the certificate of registration or similar document of authorisation.

PRE-VOTING BY POSTAL-VOTING

The Arjo Board of Directors has decided that the shareholders should be able to exercise their right to vote by postal voting before the AGM.

Shareholders who wish to exercise their voting rights by postal voting shall besides being recorded in the share register kept by Euroclear Sweden AB on Tuesday 23 June 2020 also use a specific form for notice and postal voting, which is available on the company's website, www.arjo.com. Notice and postal voting can also be made digitally, see further details below.

Postal voting can be made by:

- submitting the original of the completed and signed form to Arjo AB, "AGM", c/o Euroclear Sweden, P.O. Box 191, SE-101 23 Stockholm, Sweden, (mark the envelope with "Postal voting AGM 2020"), or
- submitting a scanned copy of the completed and signed form by email to GeneralMeetingServices@euroclear.eu (type in "Arjo AB – Postal voting" in the subject matter box).

Shareholders who are natural persons may also give their notice and cast their postal votes digitally through BankID verification. Link to digital postal voting is available on the company's website www.arjo.com and <https://anmalan.vpc.se/EuroclearProxy/>.

If the shareholder is a legal entity, certificate of registration or corresponding authorization document shall be enclosed this form. If the shareholder is represented by proxy, the power of attorney shall be enclosed.

The completed form shall be received by Arjo no later than Tuesday 23 June 2020. Digital postal voting has to be made within the same period.

The shareholder cannot provide the pre-vote with any specific instructions or conditions. If so is made, the vote will be considered invalid. Further instructions and conditions is stated in the postal voting form.

PROPOSAL FOR AGENDA

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of person(s) to approve the minutes
6. Determination of compliance with the rules of convocation
7. Presentation of
 - (a) the Annual Report and the Auditor's Report
 - (b) the Consolidated Accounts and the Group Auditor's Report
 - (c) the statement by the auditor on the compliance of the Guidelines for Remuneration to Senior Executives applicable since the last AGM
 - (d) the Board's proposal for distribution of the company's profit and the Board's reasoned statement thereon
8. Resolution regarding adoption of the Income Statement and the Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet
9. Resolution regarding dispositions in respect of the Company's profit according to the adopted Balance Sheet and determination of record date for dividend
10. Resolution regarding discharge from liability for the Board of Directors and the CEO
11. Establishment of the number of Board members and auditors
12. Establishment of fees to the Board of Directors (including fees for work in Committees) and the auditor
13. Election of the Board of Directors and Chairman of the Board
 - (a) re-election of Johan Malmquist;
 - (b) re-election of Carl Bennet;
 - (c) re-election of Eva Elmstedt;

- (d) re-election of Dan Frohm;
 - (e) re-election of Ulf Grunander;
 - (f) re-election of Carola Lemne;
 - (g) re-election of Joacim Lindoff; and
 - (h) re-election of Johan Malmquist as Chairman of the Board
14. Election of auditor
 15. Resolution regarding instruction for the Nomination Committee
 16. Resolution regarding amendment of the Articles of Association
 17. Resolution regarding Guidelines for Remuneration to Senior Executives
 18. Closing of the Meeting

PROPOSALS BY THE NOMINATION COMMITTEE (item 2 and 11-15)

The Nomination Committee in respect of the 2020 AGM has comprised Carl Bennet (*Chairman of the Committee; Carl Bennet AB*), Per Colleen (*Fjärde AP-fonden*), Marianne Nilsson (*Swedbank Robur Fonder*) and the Chairman of the Board of Directors Johan Malmquist. The composition of the Nomination Committee deviates from the instruction due to that the appointed representative for the minor shareholders, Maria De Geer, at her own request left the Nomination Committee during 2019.

The Nomination Committee has proposed the following:

Chairman of the AGM: The Chairman of the Board, Johan Malmquist, shall be elected Chairman of the AGM.

Board of Directors: The number of Board members elected by the General Meeting shall be seven, without deputy members. Johan Malmquist, Carl Bennet, Eva Elmstedt, Dan Frohm, Ulf Grunander, Carola Lemne and Joacim Lindoff shall be re-elected as Board members. Johan Malmquist shall be re-elected as Chairman of the Board.

Board and committee fees: Board fees, excluding remuneration for committee work, shall amount to a total of SEK 4,475,000, of which, SEK 1,425,000 (1,380,000) to the Chairman and SEK 610,000 (590,000) to each of the other Board members elected by the General Meeting who are not employees of Arjo Group. Work in the Audit Committee shall be compensated with SEK 254,000 (246,000) to the Chairman and SEK 127,000 (123,000) to each of the other members. Work in the Remuneration Committee shall be compensated with SEK 132,000 (128,000) to the Chairman and SEK 97,000 (94,000) to each of the other members.

Auditor and auditor fees: The registered auditing company Öhrlings PricewaterhouseCoopers AB shall be re-elected as auditor for the period until the end of

the 2021 AGM in accordance with the Audit Committee's recommendation. If elected, Öhrlings PricewaterhouseCoopers AB has informed that Magnus Wilfors will be auditor-in-charge. Fees to the auditor shall be paid in accordance with approved invoices.

Instruction for the Nomination Committee: The Nomination Committee in respect of the Annual General Meeting shall be composed of members appointed by the three largest shareholders in terms of voting rights, based on a list of owner-registered shareholders from Euroclear Sweden AB or other reliable ownership information, as of 31 August of each year, and the Chairman of the Board of Directors. In addition, if the Chairman of the Board, in consultation with the member appointed by the largest shareholder in terms of voting rights, deems it appropriate, it shall include an, in relation to the company and its major shareholders, independent representative of the minor shareholders as a member of the Nomination Committee.

If one or some of the three largest shareholders refrain from appointing a member of the Nomination Committee, the Chairman of the Board shall offer other major shareholders to appoint a member of the Nomination Committee. If such an offer is made, it shall be made in order to the largest shareholders (i.e. first to the fourth largest shareholder, thereafter to the fifth largest shareholder, etc.). The procedure shall continue until the Nomination Committee consists of four members, including the Chairman of the Board, with the possible addition of a representative of the minor shareholders as described above.

If earlier than two months prior to the Annual General Meeting, one or more of the shareholders having appointed members to the Nomination Committee, no longer are among the three largest shareholders in terms of voting rights, members appointed by the shareholder(s) shall make their seats available and the shareholder or shareholders who then are among the three largest shareholders in terms of voting rights, may appoint their representatives. If a significant change has occurred in the ownership structure regarding the minor shareholder who have appointed a representative, another minor shareholder shall be contacted and have the right to appoint a representative, if the Nomination Committee deems it appropriate. Alternatively, the work of the Nomination Committee shall continue without a new representative for the minor shareholders.

When appointing a new member as a result of significant changes in ownership structure, the shareholder who is to appoint a new member shall, when appointing a new member, consider the composition of the existing Nomination Committee.

If a member resign from the Nomination Committee before its work is completed and the Nomination Committee considers it necessary to appoint a substitute member, such substitute member shall be appointed by the same shareholder or, if that shareholder is

no longer one of the largest shareholders in terms of voting rights, by the largest shareholder in turn. If it is a member who represents the minor shareholders who leaves the Nomination Committee, the substitute member shall be appointed by the same shareholder or another minor shareholder.

The composition of the Nomination Committee shall normally be announced no later than six months prior to the General Meeting. Changes in the composition of the Nomination Committee shall be announced immediately.

The mandate period for the Nomination Committee ends when the composition of the succeeding Nomination Committee has been announced. The member representing the largest shareholder in terms of voting rights shall be appointed Chairman of the Nomination Committee. The Chairman of the Board of Directors shall convene the Nomination Committee to its first meeting.

The Nomination Committee shall observe the requirements set by the Swedish Companies Act and the Swedish Corporate Governance Code for its work and proposals. The Nomination Committee shall submit proposals for the Chairman of the Annual General Meeting, the number of Board members elected by the General Meeting, the Chairman of the Board, other Board members elected by the General Meeting, the number of auditors, the auditor(s), remuneration to the Board of Directors, divided between the Chairman and the other directors, and remuneration for committee work, remuneration to the company's auditors, and any changes in the proposal for principles for the Nomination Committee in respect of the Annual General Meeting.

The Nomination Committee shall meet as often as is necessary for the Nomination Committee to fulfil its duties. Notice convening other meetings is issued by the Chairman of the Nomination Committee. If a member requests that the Nomination Committee shall be convened, the request shall be complied with. The Nomination Committee is quorate if more than half of the members are present. However, a decision shall not be made on a matter unless all members have been offered the opportunity to participate in the handling of the matter. Resolutions of the Nomination Committee shall be adopted by a simple majority of the members present or, in the event of a tied vote, the Chairman shall have the casting vote. Minutes shall be kept at the Nomination Committee's meetings, which shall be signed and adjusted by the Chairman of the Nomination Committee and the member appointed by the Nomination Committee.

No remuneration shall be paid to the members of the Nomination Committee. Any necessary expenses for the Nomination Committee's work shall be borne by the company. The Nomination Committee has the right to charge the company with

reasonable costs, such as recruitment costs, if it is deemed necessary to obtain a suitable selection of candidates for the Board of Directors.

A member of the Nomination Committee is subject to a duty of confidentiality regarding the company's affairs and this obligation shall be confirmed by the member at the company's request, by signing a special confidentiality agreement between the member and the company. This instruction shall apply until further notice.

DIVIDEND (item 9)

The Board and the CEO have proposed that a dividend of SEK 0.65 per share be declared. As record date for the dividend the Board proposes Wednesday 1 July 2020. If the AGM resolves in accordance with the proposal, the dividend is expected to be distributed by Euroclear Sweden AB starting Monday 6 July 2020.

Since the year-end report and the Board's statement regarding the proposed dividend, the Board has continuously considered the justifiability of the dividend. The Board has concluded that the previous statement shall remain unchanged, also with consideration of the recent developments around the world and the effect on the company (incl. the effects of COVID-19).

THE BOARD'S PROPOSAL REGARDING AMENDMENT OF THE ARTICLES OF ASSOCIATION (item 16)

For the purpose of adapting the Articles of Association to expected amendments of the Swedish Companies Act, the Board proposes that the AGM resolves to amend § 10 of the Articles of Association with the following.

	Current wording	Proposed wording
§ 10	Notice convening a general meeting shall be published in the Swedish Official Gazette and on the company's website. It shall be advertised in Svenska Dagbladet that notice convening a general meeting has been made.	Notice convening a general meeting shall be published in the Swedish Official Gazette and on the company's website. It shall be advertised in Svenska Dagbladet that notice convening a general meeting has been made.
	Shareholders that wish to participate in a general meeting shall be recorded in a print-out or other representation of	Shareholders that wish to participate in a general meeting shall be recorded in a print-out or other representation of

Current wording	Proposed wording
<p>the entire share register as at the date falling five weekdays (Sw. <i>vardagar</i>) prior to the meeting and notify the company of their intention to participate by the date specified in the notice convening the meeting. The last mentioned day must not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and not fall earlier than the fifth weekday prior to the meeting.</p>	<p>the entire share register as <i>per the record date of the general meeting, as determined in accordance with the Swedish Companies Act</i> and notify the company of their intention to participate by the date specified in the notice convening the meeting. The last mentioned day must not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and not fall earlier than the fifth weekday prior to the meeting.</p>
<p>At a general meeting, shareholders may be accompanied by one or two assistants, however only if the shareholder has notified the company of the number of assistants in the manner stated in the previous paragraph.</p>	<p>At a general meeting, shareholders may be accompanied by one or two assistants, however only if the shareholder has notified the company of the number of assistants in the manner stated in the previous paragraph.</p>

Voting majority

The resolution of the AGM regarding amendment of the Articles of Association is subject to the support of shareholders representing at least two-thirds of both the number of votes cast and the shares represented at the meeting in order to be valid.

THE BOARD'S PROPOSAL REGARDING GUIDELINES FOR REMUNERATION TO SENIOR EXECUTIVES (item 17)

The Board proposes that the AGM resolves on updated guidelines for remuneration to senior executives, which essentially means the following. Successful implementation of the company's business strategy and the safeguarding of the company's long-term interests, including its sustainability, requires the company to be able to recruit and retain qualified employees.

The basic principle is that remuneration and other terms and conditions of employment for senior executives shall be based on market conditions, and be competitive in all markets where Arjo operates, to ensure that competent and skillful employees can be attracted, motivated and retained. Individual levels of remuneration shall be based on experience, competence, responsibility and performance and be market conforming in the country in which the senior executive is employed. The total remuneration to senior executives shall be on market terms and comprise basic salary (fixed cash salary), variable remuneration, pension benefits and other benefits.

The variable remuneration consists of two programs, one year-based and one three-year program. The annual variable remuneration is constructed in such a way that it supports Arjo's long-term strategy to develop products and solutions that meet the customer needs on a long-term basis. The objectives for the variable remuneration are set with the purpose of promoting the shareholders' interests, the company's core values, and a sustainable development of the company.

The Board shall have the right to temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there are special reasons that motivate it and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability

These guidelines shall be subject to review on annual basis by the Board and submitted for resolution by the annual general meeting when changes are proposed, or at least every four years.

The Board's complete proposal for guidelines for remuneration to senior executives is set forth in the Directors' Report in the Annual Report.

DOCUMENTS AND OTHER INFORMATION

Financial statements, Auditor's Report and other documents pursuant to item 7, the Board's reasoned statement under item 9 and the complete proposals of the Board for the resolutions under items 16-17 will be available at the company and on the company's website, www.arjo.com, as from Monday 8 June 2020 at the latest and will be sent to shareholders upon request. Copies will also be available at the AGM.

The Board and the CEO shall at the AGM, if any shareholder so requests and the Board believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial position and the company's relation to other companies within the Group.

The total number of shares in the company amounts to 272,369,573, whereof 18,217,200 shares of series A and 254,152,373 shares of series B. The total number of votes in the company amounts to 436,324,373.

PROCESSING OF PERSONAL DATA

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Malmö in May 2020

The Board of Directors of Arjo AB (publ)