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Press release

April 8, 2019

NOTICE TO ATTEND THE ANNUAL GENERAL MEETING IN GARO AKTIEBOLAG (publ)

The shareholders of GARO Aktiebolag, Reg. No. 556051-7772, are hereby invited to attend the Annual General Meeting (AGM) to be held at 5 p.m. CET on Wednesday, 15 May 2019 at Gnosjöandans Kunskapscenter, at the address Fritidsvägen 4, Gnosjö, Sweden. Registration will commence at 4 p.m. CET.

A. RIGHT TO PARTICIPATE IN THE ANNUAL GENERAL MEETING

Shareholders who wish to participate in the AGM must:

firstly, be registered in the share register maintained by Euroclear Sweden AB no later than Thursday 9 May 2019, and

secondly, notify the company of their intention to attend the AGM under the address GARO AB, "AGM", P.O. Box 203, SE-335 25 Gnosjö, Sweden, by calling +46 (0)370-332 800, by e-mail to arsstamma@garo.se, or at the company's website no later than Thursday 9 May 2019.

In connection with notification, shareholders must state their name, address, telephone number (daytime), personal or corporate identity number and information concerning their shareholding. Shareholders or proxies for shareholders at the AGM may take a maximum of two representatives with them to the AGM. Representatives may accompany to the Meeting only if the shareholder gives notice of their attendance in connection with the shareholder's own notification of participation. For shareholders who will be represented by proxy at the AGM, a signed and dated power of attorney should be enclosed with the notification. A form for the power of attorney is available on the company's website, www.garo.se and will be sent by mail on request to shareholders who state their address. For those representing a legal entity, a verified copy of the registration certificate or corresponding document showing the company's signatories must also be submitted.

In order to be entitled to participate in the AGM, shareholders whose shareholding is registered in the name of a trustee must re-register their shares in their own name at Euroclear Sweden AB. Shareholders who require such re-registration should notify their trustee well in advance of Thursday 9 May 2019, when such re-registration must have been completed.

B. AGENDA OF THE ANNUAL GENERAL MEETING

Proposal for agenda

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the list of shareholders entitled to vote at the Meeting.
4. Approval of the agenda.
5. Election of persons to approve the minutes of the Meeting.
6. Determination of whether the Meeting has been duly convened.
7. The Managing Director's report.
8. Presentation of

- a) the annual report and the auditors' report, as well as the consolidated financial report and auditors' report on the consolidated financial report for the financial year 2018,
 - b) statement from the company's auditor confirming compliance with the remuneration guidelines for the CEO and other senior managers that have applied since the preceding AGM, and
 - c) the Board's proposal for appropriation of the company's profit and the Board's motivated statement thereon.
9. Resolutions regarding
 - a) adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet, all as per 31 December 2018,
 - b) appropriation of the Company's profit as set forth in the balance sheet adopted by the Meeting and the record date for dividend distribution, and
 - c) discharge of the Board of Directors and the Managing Director from personal liability for the financial year 2018.
 10. Determination of the number of members of the Board.
 11. Determination of the fees to be paid to the Board members and auditor.
 12. Election of members of the Board.
 13. Election of auditor.
 14. Resolution regarding remuneration guidelines for the CEO and other senior executives.
 15. Closing of the Meeting.

Proposals

Proposals by the Nomination Committee (Items 2 and 10-13)

The Nomination Committee appointed in anticipation of the 2019 AGM, comprising Lars Kongstad (Chairman) (Mannheimer Swartling Advokatbyrå) appointed by Lars Svensson, Ulf Hedlundh appointed by Svolder AB, Jan Särilvik appointed by Nordea Funds and Stefan Jonsson (Chairman of the Board) has proposed the following:

Chairman of the Meeting: The Chairman of the Board, Stefan Jonsson, shall be elected Chairman of the 2019 AGM.

Board members: The number of Board members shall be six, without deputies. Re-election shall be made of the Board members Rickard Blomqvist, Susanna Hilleskog, Per Holmstedt, Stefan Jonsson and Lars-Åke Rydh and new election shall be made of Mari-Katharina Jonsson Kadowaki. Re-election shall be made of Stefan Jonsson as the Chairman of the Board. Lars Svensson has declined re-election.

Board member proposed for new election:

Mari-Katharina Jonsson Kadowaki, born 1964, holds a M.Sc. in Engineering from Linköping University. Mari-Katharina has extensive operational experience from the electricity and manufacturing industry, among other things as CEO of the Swedish branch of the international battery manufacturer Saft. Mari-Katharina currently serves as Chairman of the Board of ALMI Företagspartner Kalmar län AB and as Board member of Alcad AB, Ideella föreningen Teknikarbetsgivarna i Sverige and Ideella föreningen Teknikföretagen i Sverige. Mari-Katharina holds no shares in GARO.

Board and Committee fees: Directors' fees, excluding Committee fees, shall be paid by SEK 1,520,000 (previously SEK 1,450,000) of which SEK 470,000 (previously SEK 450,000) to the Chairman of the Board and SEK 210,000 (previously SEK 200,000) to each of the other Board members elected by the AGM who are not employed by the group. Fees for assignment in the Audit Committee shall be paid by SEK 160,000, of which SEK 80,000 to the Chairman and SEK 40,000 to each of the other members of the Audit Committee.

Auditor and auditor's fee: The number of auditors shall be one without deputies. In accordance with the Board's proposal, the registered audit firm Ernst & Young AB is proposed for re-election as the company's auditor for a period of one year until the end of the annual general meeting 2020. Ernst & Young AB has notified that the authorised public accountant Joakim Falck will continue as principally responsible auditor, if Ernst & Young AB is elected as auditor by the AGM. The auditor's fee shall be paid according to approved invoice.

Proposed appropriation of the Company's profit (Item 9 b)

The Board proposes that a dividend of SEK 4 per share be declared and that the record date for the dividend shall be 17 May 2019. If the AGM so resolves, the dividend is expected to be distributed by Euroclear Sweden AB on 22 May 2019.

Remuneration guidelines for the CEO and other senior executives (Item 14)

The Board of Directors proposes that the 2019 AGM adopts guidelines for remuneration to the CEO and other senior executives in accordance with the following. The proposed guidelines correspond to the guidelines currently applicable.

These guidelines concern the persons that during the guidelines duration are part of the Group management and other senior executives that report directly to the CEO, hereinafter referred to as "senior executives". GARO shall have the remuneration rates and terms of employment deemed necessary to recruit and retain management with good expertise and capacity to reach set objectives. Salary and other remuneration to senior executives at GARO should be set in accordance with market terms. Senior executives shall have a fixed salary. In addition to fixed salary, variable remuneration rewarding achievement of clear performance related objectives in easy and transparent designs could be paid. Variable remuneration to the CEO shall not exceed two (2) MSEK per year and shall not be pensionable income. The variable remuneration to other senior executives shall not exceed 30 per cent of the fixed annual salary. Share related incentive programmes are resolved by the General Meeting and do not fall under these guidelines.

The non-cash remuneration to the Group management, e.g. car allowance, computer, cell-phone, additional private health insurance or private health service, can be paid to the extent considered to be in accordance with relevant market terms for senior executives at other corresponding positions on the market on which the Company operates. The total value of these benefits shall constitute a minor part of the total remuneration. Senior executives are entitled to pension benefits in accordance with the current ITP Plan or private occupational pension. Private occupational pension shall not exceed 30 per cent of the annual remuneration. Senior executives who are residing outside of Sweden or who are foreign nationals with their principal pension from another country than Sweden, can alternatively be offered other pension solutions that is reasonable in that country.

Notice payment and severance pay for members of the Group management shall in total not exceed 24 month's salary for the CEO and 12 month's salary for other members.

Remuneration to Board members and deputy Board members is resolved upon by the AGM in accordance with law to the extent that such remuneration constitutes compensation for board work. If a Board member is employed by the company, remuneration is paid to such Board member in accordance with these guidelines. Board members employed by the company shall not receive separate remuneration for board assignments in the company or affiliate companies. If a Board member conducts work for the company that is not board work, remuneration shall be paid on market terms taking into account the nature and effort of the work. The remuneration shall be determined by the Board.

The Board of Directors shall have the right to depart from these guidelines in an individual case if it is motivated by certain reasons, provided that it is disclosed and motivated afterwards.

C. NUMBER OF SHARES AND VOTES IN THE COMPANY

The total number of shares and voting rights in the company is 10,000,000.

D. AVAILABLE DOCUMENTATION

The Annual Report and the auditor's statement, including the Board's proposal for remuneration guidelines for the CEO and other senior managers, as well as the auditors' statement regarding whether the guidelines have been complied with and the Board's complete proposal concerning Item 14, as well as the Board's motivated statement to the proposal for dividend distribution according to Item 9 b) will at the latest be available for the shareholders at the company's office in Gnosjö as from Wednesday 24 April 2019. Copies of the documents will be sent to those shareholders who request to receive such information and who have provided their address. They will also be available on the company's website www.garo.se and at the AGM.

E. INFORMATION AT THE ANNUAL GENERAL MEETING

At the AGM, the Board and the Managing Director shall, if requested by a shareholder and the Board considers that it can be done without material damage to the company, provide information regarding issues that may (i) affect the assessment of an item on the agenda, (ii) affect the assessment of the company's or a subsidiary's financial situation or (iii) concern the company's relation to another group company.

F. 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>.

Gnosjö in April 2019

GARO Aktiebolag (publ)

Board of Directors

GARO develops, manufactures and supplies innovative products and systems for the electrical installations industry under its own brand. The company has operations in Sweden, Norway, Finland, Ireland and Poland, and the Group is organized in two business areas: GARO Sweden and GARO Other markets. GARO has a broad product assortment and is a market leader within several product areas. The Group had sales of MSEK 902 in 2018 and has about 400 employees. Its head office is located in Gnosjö.

The business concept is "*with a focus on innovation, sustainability and design, GARO provides profitable complete solutions for the electrical industry.*"