



# Notice to extraordinary general meeting in Azelio AB (publ)

The shareholders in Azelio AB (publ), reg.no. 556714-7607, with its registered office in Gothenburg, are hereby summoned to an extraordinary general meeting to be held on 18 June 2021.

In order to mitigate the spread of Covid-19, the board of directors has decided that the extraordinary general meeting will be conducted by advance voting only, without physical presence of shareholders, proxies and third parties.

Azelio welcomes all shareholders to exercise their voting rights at this extraordinary general meeting through advance voting on the basis of temporary statutory rules, according to the procedure set out below. Information on the resolutions passed at the extraordinary general meeting will be published on 18 June 2021, as soon as the result of the voting has been finally confirmed.

In the advance voting form, the shareholders may request that a resolution on one or several of the matters on the proposed agenda below should be deferred to a so-called continued general meeting, which cannot be conducted solely by way of advance voting. Such continued general meeting shall take place if the extraordinary general meeting so resolves or if shareholders with at least one tenth of all shares in the company so request. The shareholders are reminded of their right to request information according to Chapter 7, Section 32 of the Swedish Companies Act. A request for such information shall be made in writing to Azelio AB, Forsbrogatan 4, SE-662 34 Åmål, Sweden, or via e-mail to [info@azelio.com](mailto:info@azelio.com), no later than on 8 June 2021. The information will be made available at Azelio AB, Forsbrogatan 4, SE-662 34 Åmål, Sweden and on [www.azelio.com](http://www.azelio.com), on 13 June 2021 at the latest. The information will also be sent, within the same period of time, to the shareholder who has requested it and stated its address.

## ***Notification, etc.***

Shareholders who wish to participate, through advance voting, in the general meeting must:

- firstly*      be included in the shareholders' register maintained by Euroclear Sweden AB as of 10 June 2021; and
- secondly*    notify the company of their participation in the general meeting by casting their advance vote in accordance with the instructions under the heading "Advance voting" below, so that the advance voting form is received by Azelio no later than on 17 June 2021.

Shareholders whose shares are registered for management through a bank or other manager must – in addition to sending in their postal voting form – temporarily request their shares to be registered in their own name so that the shareholder is entered in the share register kept by Euroclear Sweden AB on 10 June 2021. This registration can be temporary (so-called right to vote registration) and is requested from the manager in as much advance time as dictated by the manager. Right to vote registration which has been requested by the shareholder in time for the manager to register it by 14 June 2021 will be taken into account when the share register is drawn up.

## **Advance voting**

The shareholders may only exercise their voting rights at the extraordinary general meeting by voting in advance, so-called postal voting in accordance with section 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form shall be used for advance voting. The form is available on Azelio's website, [www.azelio.com](http://www.azelio.com). The advance voting form is considered as the notification of participation.

The completed voting form must be received by Azelio AB no later than Thursday 17 June 2021. The form may be submitted via e-mail to [info@azelio.com](mailto:info@azelio.com) or by post to Azelio AB, "Extraordinary general meeting", Forsbrogatan 4, SE-662 34 Åmål, Sweden. If the shareholder votes in advance by proxy, a power of attorney shall be enclosed to the form. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for advance voting.

For questions regarding the extraordinary general meeting or to have the advance voting form sent by post, please contact Azelio AB on [info@azelio.com](mailto:info@azelio.com).

## **Number of shares and votes**

There is a total of 115,096,826 shares, with one vote per share, in the company as of the date of this notice.

## **Proposed agenda**

1. Election of a chairman at the meeting;
2. Election of one or two persons who shall approve the minutes of the meeting;
3. Preparation and approval of the voting list;
4. Approval of the agenda;
5. Determination of whether the meeting was duly convened;
6. The principal shareholders' proposal to resolve on a long-term incentive program for the board of directors in the form of warrants.

## **Resolution proposals**

### **Proposal regarding the chairman of the general meeting (item 1)**

The board of directors has proposed that Bo Dankis, or the person proposed by the board of directors if he has an impediment to attend, is elected chairman of the general meeting.

### **Election of one or two persons who shall approve the minutes of the meeting (item 2)**

Bertil Villard, or the person appointed by the board of directors if he has an impediment to attend, is proposed to be elected to approve the minutes together with the chairman. The task of approving the minutes also includes verifying the voting list and that the advance votes received are correctly stated in the minutes of the extraordinary general meeting.

### **Preparation and approval of the voting list (item 3)**

The voting list proposed for approval under item 3 of the agenda is the voting list drawn up by the company, based on the general meeting's share register and advance votes received, as verified and recommended by the person approving the minutes.

## **The principal shareholder's proposal to resolve on a long-term incentive program for the board of directors in the form of warrants (item 6)**

The principal shareholder, Blue Marlin AB (the “**Principal Shareholder**”), proposes that the extraordinary general meeting resolves to issue not more than 340,000 warrants within the scope of a long-term incentive program to all members of the board of directors in Azelio, save for Kent Janér, in total a maximum of seven persons.

The incentive program entails that the chairman of the board of directors is offered to subscribe for not more than 100,000 warrants and the other participating members of the board of directors are each offered to subscribe for not more than 40,000 warrants, at market value calculated according to the Black & Scholes valuation formula.

Subscription of the warrants shall be made within four weeks from the date of the resolution to issue warrants. Payment for the subscribed warrants shall be made within four weeks after subscription.

Each warrant entitles the holder to subscribe for one new ordinary share in Azelio for an exercise price of SEK 150.

Subscription of shares can be done during two periods, both during two weeks from the day of publication of the interim report for the period 1 January – 30 September 2024 as well as during two weeks from the day of publication of the interim report for the period 1 January – 31 December 2024.

The price per warrant upon transfer to the participants shall be established by the Principal Shareholder, or by an independent appraiser or auditor firm retained by the Principal Shareholder, and correspond to the market value of the warrant calculated in accordance with the Black & Scholes valuation formula. The complete terms and conditions for the warrants are available to the shareholders in accordance with the below.

### *Scope and costs for the program, including subsidy by the company and effect on important key ratios and dilution*

As the offering of warrants to the members of the board of directors is based on market value the costs for the program are limited to costs for administration of the program. The total cost for Azelio for the warrant program is estimated not to exceed SEK 50,000 during the term of the incentive program.

The costs are expected to have a limited effect on Azelio’s key ratios. Upon maximum allotment of warrants, not more than 340,000 shares will be allotted to participants under the incentive program, meaning a dilution effect of approximately 0.29 percent of the number of shares and votes in the company (based on the total number of shares in the company at the date of this notice).

The Principal Shareholder considers the positive effects expected to result from the incentive program to outweigh the costs attributable to the program.

### *The rationale for the incentive program*

The rationale for the incentive program is to retain a competent board of directors in the company by offering the board members a long-term ownership commitment in the company and thereby the opportunity to participate in and promote a positive value development of the company’s shares and to increase the board members’ sense of association with the company. The Principal Shareholder considers that the implementation of the incentive program as described above is in the favour of the group and the shareholders in the company.

### *Preparation of the proposal*

The incentive program has been prepared by the Principal Shareholder.

### *Other incentive programs*

For a description of Azelio's other share-related incentive programs, reference is made to the annual report 2020, note 25.

### **Majority requirements**

Resolution in accordance with item 6 above requires approval of at least nine tenths (9/10) of the shares represented and votes cast at the general meeting.

### **Miscellaneous**

The terms and conditions for the warrant program and the Principal Shareholder's complete proposal for item 6 will be available at the address of the company and on the company webpage [www.azelio.com](http://www.azelio.com), no later than two weeks prior to the general meeting. Copies of the documents will be sent to the shareholders who so request and who inform the company of their postal address.

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For information on how your personal data is processed, see the integrity policy that is available at Euroclear's webpage

[www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf).

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Gothenburg in June 2021

**Azelio AB (publ)**

*The board of directors*