



Troax Group AB (publ)

PRESS RELEASE, Hillerstorp, 25th of May 2020, at 08.30 CET

Notice of Annual General Meeting of Troax Group AB (publ)

The shareholders of Troax Group AB (publ) (556916-4030) are hereby invited to the Annual General Meeting on Tuesday, June 25th, 2020 at 3 pm at the company's office, Tyngel, 335 04 Hillerstorp. As a precautionary measure to reduce the risk of spreading the covid-19 corona virus, Troax Group AB intends to keep the AGM very short and effective. No refreshment or mingling will be offered. Scheduled speeches will be limited to a few minutes or will be cancelled in order to limit the length of the meeting, which is estimated to be about 15 minutes. No Board members other than the Chairman of the Board will participate and the Group's senior executives will attend to a limited extent. A speech by the CEO will be posted on the company's website after the closing of the meeting. Shareholders who are ill, have had contact with people who have been ill or belong to a risk group should not participate, but are invited to vote via proxy.

A. RIGHT TO PARTICIPATE AT ANNUAL GENERAL MEETING

Shareholders who wish to attend the Annual General Meeting shall:

- be included in the share register kept by Euroclear Sweden AB on the record date on Thursday the 18th of June 2020; and
- register with the company no later than Thursday the 18th of June 2020 under the address Troax Group AB, Box 89, 335 04 Hillerstorp, or by phone 0370-828 00, or by email arsstamma@troax.com.

When registering, shareholders must state their name, personal or organizational number, address and telephone number and number (one or maximum two) of assistants. The information provided at the time of notification will be processed and used solely for the 2020 Annual General Meeting (see further information below under item I). For those who wish to be represented by proxy, the company provides proxy forms which are available on the company's website www.troax.com. If participation is supported by proxy, this should be sent to the above address so that it reaches the company well in advance of the meeting. The power of attorney may not be older than one year old, however, that the power of attorney may be older than one year if it is shown to be valid for a longer period, not exceeding five years. If the power of attorney is issued by a legal person, a certified copy of the registration certificate or equivalent for the legal person must be attached. Shareholders who have had their shares nominee registered through a bank or other nominee must temporarily register the shares in their own name in order to participate in the Annual General Meeting. In order for this registration to be included in the share register on 18th of June 2020, shareholders must request in good time before this date for the nominee to complete such registration.

B. MATTERS AT THE ANNUAL GENERAL MEETING

Proposed agenda

1. The Annual General Meeting opens
2. Election of Chairman of the Meeting
3. Establishment and approval of voting list
4. Approval of agenda
5. Election of one or two persons to certify the minutes
6. Examination of whether the meeting has been duly convened
7. CEO's speech
8. Presentation of the annual report and the auditors' report, as well as the consolidated accounts and the consolidated auditors' report.
9. Decide on
 - a) adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet
 - b) disposition of the company's profit according to the adopted balance sheet
 - c) discharge from liability for the members of the Board of Directors and the CEO



10. Presentation of the work of the Nomination Committee
11. Determination of principles for the Nomination Committee
12. Determination of the number of Board members
13. Determination of the number of auditors and deputy auditors
14. Determination of the fees to the Board members and the auditors
15. Election of Board members and Chairman of the Board
16. Election of auditor and deputy auditor
17. Acquisition and transfer of own shares
18. Decision on guidelines for remuneration to senior executives
19. Decision on call option program for senior executives
20. Closing of the Meeting

C. THE NOMINATION COMMITTEE'S PROPOSAL FOR THE ANNUAL GENERAL MEETING 2020 REGARDING ITEMS 2, 11-16 AND THE MOTIVATED OPINION ON THE PROPOSAL TO THE BOARD OF TROAX GROUP AB (publ)

With the support of the instructions for the Nomination Committee and of information in Euroclear Sweden's owner register, the Nomination Committee for the Annual General Meeting 2020 in Troax Group AB (publ) consisted of Johan Hjertzonsson (Chairman), Investment AB Latour, Jan Särilvik, Nordea Fonder, Lilian Fossum Biner, Handelsbanken and Jan Svensson, Chairman of the Troax Group.

The Nomination Committee has held two meetings and has also made regular reconciliations via telephone and e-mail. At the meetings, the Nomination Committee discussed the issues that a Nomination Committee has to deal with in accordance with the Swedish Code of Corporate Governance. No comments were received from the shareholders to the Nomination Committee on the issues in question.

Election of Chairman of the Meeting (Item 2)

The Chairman of the Board Jan Svensson is proposed as Chairman of the Annual General Meeting.

Determination of principles for the Nomination Committee (item 11)

The Nomination Committee proposes the following principles for the appointment of the Nomination Committee:

The Chairman of the Board shall contact the three largest shareholders in the company in terms of voting rights by the last banking day in August each year. In these principles the three largest owners means the by Euroclear Sweden AB registered and owner grouped as of the last banking day in August.¹ Each of these owners is entitled to appoint a representative to constitute a nomination committee until a new nomination committee has been appointed. None of these three representatives should be any of the board members. The Chairman of the Board shall be co-opted to the Nomination Committee. If one of the three largest owners waive their right to appoint a representative to the nomination committee, the right proceeds to in the order of the next shareholder. If a member leaves the nomination committee before its work is completed, if the nomination committee so decides, the replacement shall be appointed by the same shareholder who appointed the resigned member, or, if that shareholder no longer belongs to the three largest shareholders in terms of votes, by the shareholder who has been added to this group. If the ownership of the company changes before the Nomination Committee has completed its work, the Nomination Committee shall have the right to change the composition of the Nomination Committee in the manner that it considers appropriate. A complete proposal regarding the establishment of principles for the Nomination Committee is presented in a separate appendix and is available on the company's website www.troax.com.

Determination of the number of board members (item 12)

The Nomination Committee's proposal is that the number of Board members elected by the Annual General Meeting during the coming term shall be six. In addition to these six members, there are

¹ Ownership statistics to be used must be sorted by voting strength (owner-grouped) and contain the 25 largest shareholders registered in Sweden, i.e. shareholders with an account with Euroclear Sweden AB in their own name or shareholders holding a custody account with a trustee who has stated that shareholder's identity to Euroclear Sweden AB.



employee representatives who are not elected by the Annual General Meeting.

Determination of the number of auditors and deputy auditors (item 13)

The Nomination Committee proposes that a registered audit firm be appointed as auditor and that no deputy auditor is appointed.

Determination of fees to the members of the Board of Directors and auditors (item 14)

The Nomination Committee proposes no increase in Board fees. The fee is proposed to SEK 540,000 (540,000) for the Chairman of the Board and to each SEK 250,000 (250,000) for other members elected by the Annual General Meeting with the exception of the CEO. The proposal means that the total remuneration to the Board of Directors will be SEK 1,540,000 (1,540,000). Amounts in parentheses describe the previous level. The Nomination Committee further proposes that fees for audit committee work should be paid with SEK 100,000 (100,000) to the chairman and SEK 75,000 (75,000) to the member, and fees for remuneration committee work with SEK 50,000 (50,000) to the chairman and 25,000 (25 000) for a member. The Nomination Committee has carried out an analysis of the fees compared to similar companies based on a number of different measures of size and complexity. The outcome of this analysis justifies according to the Nomination Committee, taking into consideration the current situation where effects related to the corona virus are difficult to predict, to not propose any increase in the fees to the Board of Directors. The auditor is proposed to pay a fee according to the invoices approved by the company.

Election of Board members and Chairman (item 15)

The Nomination Committee proposes re-election of Eva Nygren, Anna Stålenbring, Fredrik Hansson, Bertil Persson and Thomas Widstrand. The Nomination Committee proposes the election of Anders Mörck. Jan Svensson has declined re-election. Furthermore, the Nomination Committee proposes the election of Anders Mörck as Chairman of the Board. Information on proposed Board members and the Nomination Committee's motivated opinion is available on the company's website www.troax.com.

Election of auditor and deputy auditor (item 16)

The Nomination Committee proposes re-election of the registered audit firm Öhrlings PricewaterhouseCoopers AB until the end of the Annual General Meeting 2021. Öhrlings PricewaterhouseCoopers AB has announced that Johan Palmgren will continue as the main responsible auditor.

D. BOARD PROPOSAL FOR A DECISION REGARDING ITEMS 9b, 17-19

Decision on disposition of the company's profit according to the adopted balance sheet (item 9 b)

The Board of Directors proposes that the company's profits be allocated so that EUR 0.1, a total of EUR 6.0 million, is distributed to the shareholders and that the remaining part of the company's profit, approximately EUR 34.6 million, is carried forward. The Board of Directors further proposes that June 29th, 2020 should be the record date for the payment of dividends. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be distributed through Euroclear Sweden AB's provision on July 6th, 2020 to those who are included in the share register on the record day.

Acquisition and transfer of treasury shares (item 17)

The Board of Directors proposes that the meeting authorizes the Board to decide, on one or more occasions, until the next Annual General Meeting, on the acquisition of own shares. Acquisitions may be made of so many shares that the company owns a maximum of ten (10) percent of all shares in the company. The shares may be acquired partly through an offer addressed to all shareholders and partly through trading on Nasdaq Stockholm. In the case of acquisitions on Nasdaq Stockholm, the price shall at the time of acquisition be the current market price with deviations that do not exceed the quoted price interval at any given time. The acquisition is mainly intended to fulfil the obligations under call option programs.

The Board is also proposed to be authorized, on one or more occasions, until the company's next Annual General Meeting, to have the right to decide on the transfer of the own shares the company holds at the time of the Board's transfer decision. The transfer may be effected through trading on Nasdaq Stockholm at a price within the quoted price range at any given time. The transfer of treasury shares may be used to



cover the company's commitments in accordance with the proposed call option program in item 19.

Such transfer may be made at a price in cash or value of acquired property which, in the case of acquisitions, corresponds to the stock price at the time of the transfer or which corresponds to a transfer in accordance with issued call options. a price set by independent advisors such as marketwise at the time of issuance of the options.

Decision on guidelines for remuneration to senior executives (item 18)

The Board of Directors has drawn up a proposal for new guidelines, adapted to new rules in the Swedish Companies Act. The Board's complete proposal for guidelines can be read in a special appendix to this notice, entitled "The Board's proposal for guidelines for salaries and other remuneration to senior executives within the Troax Group", and can be found on the company's website www.troax.com.

a) General

These guidelines include senior executives. Senior executives refer to the CEO and other senior executives who are part of the Group's management group. The guidelines shall apply to remuneration that is agreed upon, and changes that are made to already agreed remuneration, after the guidelines have been adopted by the 2020 Annual General Meeting. Regarding employment conditions that are governed by rules other than Swedish, appropriate adjustments may be made to comply with mandatory such rules or established local practice, and the general purpose of these guidelines should be met as far as possible. The guidelines do not include remuneration decided by the Annual General Meeting, such as call option program.

b) The guidelines promote the company's business strategy, long-term interests and sustainability

Troax's strategy is to develop innovative security solutions with high-quality, metal-based grid panel solutions to meet the needs of protected and secure storage, and to act as machine guards and storage separators. For more information on the business strategy, see the company's annual report on the company's website www.troax.com.

The guidelines shall contribute to creating the conditions for the company to retain and recruit competent and committed employees in order to successfully execute the company's business strategy and meet the company's long-term interests, including sustainability. In addition, the guidelines will stimulate an increased interest in the business and earnings development as a whole and increase the motivation for the senior executives and increase cohesion within the company. The guidelines should also contribute to good ethics and corporate culture. In order to achieve the company's business strategy, the total annual remuneration must be market-based and competitive, considering the individual's qualifications and experience and that outstanding performance must be reflected in the total remuneration. Variable cash payments covered by these guidelines are intended to promote the company's business strategy and long-term interests, including its sustainability.

c) The forms of compensation

The remuneration may consist of fixed basic salary, short-term variable remuneration (STI), pension benefits and other usual benefits, which are described in more detail below. The Board's opinion is that remuneration should be paid on market and competitive terms in the labour market and in the work area in which the employee is placed and take into account the individual's qualifications and experiences which enable senior executives to be recruited and retained. With regard to basic salary, the remuneration shall be based on factors such as work duties, skills, experience, position and performance and the basic salary shall be revised annually. The fulfilment of criteria for payment of STI should be measurable over a period of one year. STI is based on achieved goals and can amount to 0 - 50 percent of base salary. The distribution between fixed base salary and STI must be proportionate to the employee's position and duties. The senior executives' pension terms shall be market-based in relation to what generally applies to corresponding executives in the market and should normally be based on defined contribution pension solutions unless the executive is covered by defined benefit pension under compulsory collective agreement provisions. The pension premiums for defined contribution pensions shall amount to a maximum of 35 per cent of the basic salary. Other benefits may be issued and relate mainly to car benefits. Other benefits shall follow the practice of the country in which the senior executive is domiciled.



d) Criteria for payment of STI

STI shall be linked to predetermined and measurable criteria that may be financial or non-financial. They can also be individualized quantitative or qualitative goals. The criteria must be designed with the aim of promoting the company's long-term value creation and thereby promoting the company's business strategy and long-term interests, including its sustainability. The criteria for the payment of STI should be based primarily on profitability growth based on goals set by the Remuneration Committee each year. When the measurement period for fulfilling the criteria for payment of STI has been completed, the extent to which the criteria have been met shall be determined / assessed. The Remuneration Committee is responsible for the assessment as far as STI is concerned with the CEO. As far as STI is concerned to other executives, the CEO is responsible for the assessment. As far as financial targets are concerned, the assessment shall be based on the latest financial information published by the company.

e) Termination of employment

For senior executives, the employee has a notice period of 3-6 months and for the employer a notice period of 6-12 months. Fixed basic salary is paid during the notice period. Severance pay up to a maximum of 12 month's salaries could be offered in accordance with current employment contracts. In addition, compensation for any commitment to restrict competition may be paid. Such remuneration shall only compensate for any loss of income as a result of the restriction of competition obligation and shall be based on the level of remuneration that the executive had at the time of termination of employment.

f) Salaries and terms of employment for employees

In preparing the Board's proposal for these remuneration guidelines, salaries and terms of employment for the company's employees have been taken into account by the fact that information on employees' total remuneration, the components of the remuneration and the rate of increase and increase over time have been part of the remuneration committee's and the Board's decision basis for evaluating the reasoning and the reasoning. as a result of these.

g) Deviation from the guidelines

The Board of Directors shall have the right to decide to temporarily deviate from the guidelines in whole or in part, if there are special reasons for this in an individual case and a departure is necessary to meet the Group's long-term interests, including its sustainability, or to ensure the company's financial viability. As stated above, it is part of the remuneration committee's tasks to prepare the board's decision on remuneration issues, which includes decisions on deviations from the guidelines.

Decision on call option programs for senior executives (item 19)

The Board of Directors proposes that the Annual General Meeting resolves on a call option program aimed at senior executives. It is proposed that the Annual General Meeting instruct the Board to issue call options for a maximum of 315,000 shares, corresponding to a maximum of 0.5 percent of the total number of shares and votes in the company. Until the next Annual General Meeting, senior executives will be offered the option of acquiring call options of a maximum of 315,000 shares. The terms for the call options shall be based on market-based bases according to accepted models at each individual date of issue. The option premium shall constitute 10 percent of the share price at the time of issue. The term of the options shall be a maximum of 3.9 years from its issuance and the exercise period shall be 20 May 2024 - 30 June 2024. The exercise price shall be determined by an independent appraiser at each occasion according to accepted valuation models. The Board's proposal means that the Annual General Meeting approves that the company, with deviation from the shareholders' preferential rights, transfer up to 315,000 shares to the option holders at the exercise price determined for the options in connection with any exercise of the call options (subject to any conversion due to, among other things, the fund issue, aggregation or division of shares, new share issue, reduction of share capital or similar action). At the time of the notice, Troax Group AB holds 131,100 own shares.

The Board of Directors also proposes that the meeting approves of transfer of shares acquired in accordance with item 17 for obligations under call option programs. The decision has been prepared by the Board in its entirety. The proposal is part of creating a long-term incentive for important employees. The proposal is considered to be of reasonable scope for employees and Troax's shareholders'



collective. As before, there are no outstanding programs, as the programs that were launched at the 2018 and 2019 Annual General Meeting have not yet been utilized. The Board intends to return at future Annual General Meetings with similar proposals. As the program is offered at market terms and poses a financial risk to the executive, no social security costs are incurred.

E. NUMBER OF SHARES AND VOTES IN THE COMPANY

At the time of this notice, the total number of shares in the company amounts to 60,000,000 shares, corresponding to a total of 60,000,000 votes. At the time of the notice, the company holds 131,100 shares in treasury.

F. RIGHT TO REQUEST INFORMATION

The Board of Directors and the CEO shall, if any shareholder so requests, and the Board of Directors considers it can be done without material harm to the company, to provide information on conditions that may affect the assessment of a matter on the agenda, and conditions that may affect Troax Group AB's or the financial situation of a subsidiary, and the Troax Group AB's relationship with other group companies and the consolidated accounts.

G. AVAILABLE DOCUMENTS

Annual report with audit report, complete resolutions and other documents that will be available before the meeting according to the Companies Act and the Swedish Code of Corporate Governance will be available at the company, Troax Group AB (publ), Tyngel, 335 04 Hillerstorp and on the company's website: www.troax.com no later than three weeks before the Annual General Meeting and will be sent to the shareholders who so wish and state their address.

H. MAJORITY REQUIREMENTS

For a valid resolution regarding item 17 according to the above proposal, the resolution is required to be supported by shareholders with two-thirds (2/3) of both the votes cast and the shares represented at the Annual General Meeting. For a valid resolution regarding item 19, a majority requirement of nine tenths (9/10) of both the votes cast and the shares represented at the Annual General Meeting applies.

I. HANDLING OF PERSONAL DATA

For information on how your personal data is processed, refer to the privacy policy available on Euroclear Sweden AB's website:

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Hillerstorp 25th of May 2020
Troax Group AB (publ)

BOARD OF DIRECTORS

For additional information:

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About Troax

Troax is the leading global supplier of indoor perimeter protection ("metal-based mesh panel solutions") for the market segments: Machine guarding, Warehouse partitioning and Property protection.

Troax develops high quality and innovative safety solutions to protect people, property and processes.

Troax Group AB (publ), Reg. No. 556916-4030, has a global organisation with an unparalleled sales force and efficient logistics setup, enabling local presence and short delivery times in 42 countries. In 2019 Troax net sales amounted to around 168 MEUR and the number of employees amounted to about 700 persons.

The Company's head office is located in Hillerstorp, Sweden.

www.troax.com