



Press release

Växjö 25 May 2021

Bulletin from Balco Group's Annual General Meeting 2021

In light of the risk of the spread of the virus causing Covid-19, the Annual General Meeting of Balco Group AB ("Balco" or "the Company") was conducted on Tuesday 25 May 2021 solely through advance voting (so-called postal voting) pursuant to temporary rules.

The Annual General Meeting approved the Company's and the group's profit and loss statements and granted the members of the Board of Directors and the CEO discharge from liability for the financial year 2020.

The Annual General Meeting resolved, in accordance with the proposal made by the Board of Directors, to not pay any dividends and noted the Board of Directors' ambition to, when the consequences of the Covid-19 pandemic becomes more clear and the market conditions are more stable, convene an Extraordinary General Meeting during the fall 2021 at which the shareholders will be able to decide on dividend.

The Annual General Meeting resolved to approve the board of directors' remuneration report for 2020.

The Annual General Meeting resolved, in accordance with the Nomination Committee's proposal, that a remuneration of SEK 500,000 shall be paid to the Chairman of the Board, SEK 200,000 shall be paid to each of the other members of the Board, SEK 80,000 shall be paid to the Chairman of the Audit Committee, SEK 40,000 shall be paid to the other members of the Audit Committee, SEK 40,000 shall be paid to the Chairman of the Remuneration Committee and SEK 25,000 shall be paid to the other members of the Remuneration Committee. The resolution implies a total board remuneration of SEK 1,750,000.

The Annual General Meeting resolved, in accordance with the Nomination Committee's proposal, to re-elect Mikael Andersson, Ingalill Berglund, Carl-Mikael Lindholm, Johannes Nyberg and Vibecke Hverven as Board members and elect Thomas Widstrand as a new Board member. Ingalill Berglund was elected as new Chairman of the Board.

The authorized accounting firm Öhrlings PricewaterhouseCoopers AB was, in accordance with the Nomination Committee's proposal, re-elected as the Company's auditor. Öhrlings PricewaterhouseCoopers AB informed that the authorized auditor Martin Odqvist will continue as auditor in charge. It was resolved that fees to the auditor shall be paid in accordance with approved invoice.

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors, on the introduction of incentive program 2021/2024 through a directed issue of a maximum of 200,000 warrants and to approve that the wholly owned subsidiary which has subscribed for the warrants transfers the warrants to the participants in the incentive program. The purpose of the proposed incentive program is to create conditions for retaining and recruiting competent staff for the group, provide competitive compensation and align the interests of the participants with those of the shareholders as well as promote own



shareholding in the company and thereby promote shareholder value and the company's creation of long-term value.

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors, to authorize the Board of Directors to resolve on new issues, with or without preferential rights for the shareholders, up to an increase of the Company's share capital with a maximum of ten per cent. The purpose of the authorization and the reasons for a possible deviation from the shareholders' preferential rights is to be able to finance company acquisitions or to finance further growth in the Company in other ways.

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors, to authorize the Board of Directors to resolve upon acquisition of own shares, without exceeding a number implying that the Company's total shareholding of own shares corresponds to more than one tenth of all shares in the Company at any time. Furthermore, it was resolved to authorize the Board of Directors to resolve upon transfer of own shares. The maximum number of shares that may be transferred is the total number of own shares held by the Company at the time of the Board of Director's resolution to transfer the shares. The purpose of the authorization to acquire own shares is to enable an improvement of the Company's capital structure and to give the Board of Directors an increased scope of action. The purpose of the authorization to transfer own shares is to enable an improvement of the Company's capital structure and to give the Board of Directors an increased scope of action in relation to future acquisitions, including to be able to use own shares as payment in connection with the acquisition of companies, by facilitating a fast and cost-effective financing.

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors, on the following amendments of the articles of association. The term "company name" (Sw. *firma*) in section 1 of the articles of association is adjusted to "company name" (Sw. *företagsnamn*) as a consequence of the new wording of the term in question in applicable legislation. The notice period in section 8 in the articles of association for extraordinary general meetings, where the issue of changes to the articles of association will not be dealt with, is shortened from four weeks to three weeks. Amendments to section 8 of the articles of association are also made to enable postal voting and proxy collection at general meetings even after the Swedish Act (2020:198) on Temporary Exemptions of General Meetings in Companies and Associations has ceased to apply.

For more information, please contact:

Michael Grindborn, CFO and Head of IR,
+46 70 670 18 48, michael.grindborn@balco.se

The information was submitted for publication, through the agency of the CFO and Head of Investor Relations, on 25 May 2021 at 10:00 CET.

Balco in short:

Balco is a growth company offering high quality, innovative, patented and energy-saving balcony solutions. The company's customised products contribute to enhanced quality of life, security and an increase in value for residents of multi-family residential properties. Through a decentralized and efficient sales process, Balco has control over the entire value chain – from production to delivery. The company, which was founded in Växjö in 1987 and has over 500 employees, is a market leader in the Nordic region, and operates on several markets in northern Europe. Sales in 2020 amounted to SEK 1,200 M. Balco's shares are listed on the Nasdaq Stockholm Stock Exchange.