

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

## Press release

Stockholm, 08/03/2019

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### Notice to annual shareholders' meeting in Pandox Aktiebolag (publ)

**The shareholders in Pandox Aktiebolag (publ), reg. no. 556030-7885, are hereby summoned to an annual shareholders' meeting to be held on 10 April 2019 at 10.00 at Hilton Slussen, Guldgränd 8 in Stockholm. Registration starts at 09.30 and breakfast is served from 09.00.**

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

Shareholders who wish to participate in the shareholders' meeting must:

- firstly* be included in the shareholders' register maintained by Euroclear Sweden AB as of 4 April 2019; and
- secondly* notify the company of their participation in the shareholders' meeting no later than 4 April 2019. The notification shall be in writing to Pandox Aktiebolag, c/o Euroclear Sweden AB, "Årsstämma", Box 191, 101 23 Stockholm or via telephone +46 (0)8 402 91 53. Shareholders, who are private individuals and wish to participate in the annual shareholders' meeting, may also submit their notification via the company's webpage, [www.pandox.se](http://www.pandox.se). The notification shall state the name, personal/corporate identity number, shareholding, address and daytime telephone number, and information about any assistants and, where applicable, representatives. When applicable, complete authorisation documents, such as powers of attorney for representatives, registration certificates or corresponding documents, shall be appended to the notification.

#### ***Nominee registered shares***

Shareholders whose shares have been registered in the name of a bank or securities institute must temporarily re-register their shares in their own names with Euroclear Sweden AB in order to be entitled to participate in the shareholders' meeting. Shareholders wishing such re-registration must inform their nominee of this well before 4 April 2019, when such registration must have been completed.

#### ***Proxy, etc.***

Shareholders represented by proxy shall issue a dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or a corresponding document for the legal entity shall be appended. The power of attorney is valid for a maximum of one year after the issuance or for the duration indicated in the power of attorney, whichever is longer, but not for more than five years after issuance. The registration certificate, where applicable, may not be older than one year. The power of attorney in original and, where applicable, the registration certificate should be submitted to the company by mail at the address set

forth above well in advance of the shareholders' meeting. The form to use for a power of attorney can be found on [www.pandox.se](http://www.pandox.se).

### ***Shareholders' right to request information***

Shareholders are reminded of their right to request information in accordance with Chapter 7 Section 32 of the Swedish Companies Act (*Sw. aktiebolagslagen*).

### ***Number of shares and votes***

There are a total of 75,000,000 class A shares, corresponding to 225,000,000 votes, and 92,499,999 class B shares, corresponding to 92,499,999 votes, in the company as of the date of this notice.

### ***Proposed agenda***

1. Opening of the meeting;
2. Election of a chairman at the meeting;
3. Preparation and approval of the voting list;
4. Approval of the agenda;
5. Election of two persons who shall approve the minutes of the meeting;
6. Determination as to whether the meeting has been duly convened;
7. Submission of the annual report and the auditors' report and the consolidated financial statements and the auditors' report for the group;
8. Resolutions regarding:
  - a. adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet;
  - b. allocation of the company's profits or losses in accordance with the adopted balance sheet;
  - c. discharge of the members of the board of directors and the CEO from liability;
9. Determination of the number of members of the board of directors to be elected by the shareholders' meeting and the number of auditors and, where applicable, deputy auditors;
10. Determination of fees for members of the board of directors and auditors;
11. Election of the members of the board of directors;
12. Election of auditors and, where applicable, deputy auditors;
13. The nomination committee's proposal for principles for appointment of a nomination committee for the annual shareholders' meeting 2020;
14. The board of directors' proposal for guidelines for remuneration for members of management;
15. The board of directors' proposal on authorisation for the board of directors to resolve on new share issues;
16. Closing of the meeting.

### ***The nomination committee's proposals***

#### **Proposal regarding the chairman of the annual shareholders' meeting, the number of members of the board of directors, the number of auditors and deputy auditors, fees to the board of directors and auditors, and election of members of the board of directors, as well as election of auditors and deputy auditors (items 2 and 9-12)**

The nomination committee, consisting of Anders Ryssdal (appointed by Eiendomsspar Sverige AB), Christian Ringnes (chairman of the board of directors), Jakob Iqbal (appointed by Helene Sundt AB and Christian Sundt AB jointly), Lars-Åke Bokenberger (appointed by AMF), and Marianne Flink (appointed by Swedbank Robur fonder), has submitted the following proposals:

- Christian Ringnes is proposed to chair the annual shareholders' meeting (item 2).
- The number of members of the board of directors is proposed to be six (seven), with no deputy members, and the number of auditors is proposed to be one registered public accounting firm (item 9).
- The following fees to the board of directors are proposed (fees for 2018 in brackets):
  - o A fee to the chairman of the board of directors of SEK 800,000 (750,000) and, as applicable, a fee to the deputy chairman of the board of directors of SEK 600,000 (550,000), and a fee of SEK 400,000 (400,000) to each of the other board members elected by the shareholders' meeting.
  - o A fee of SEK 50,000 (50,000) to each of the two members, the chairman included, of the remuneration committee.
  - o A fee to the chairman of the audit committee of SEK 130,000 (130,000) and a fee of SEK 70,000 (70,000) to each of the other two members of the audit committee.

The proposed board fees, including fees for work in committees, thereby amount to a maximum of SEK 3,370,000 (3,670,000).

Furthermore, it is proposed that the fees to the auditors shall be paid in accordance with approved invoice (item 10).

- Christian Ringnes, Leiv Askvig, Ann-Sofi Danielsson, Bengt Kjell, Jon Rasmus Aurdal and Jeanette Dyhre Kvisvik are proposed for re-election as board members for the time until the end of the next annual shareholders' meeting. Helene Sundt has declined re-election. Furthermore, it is proposed that Christian Ringnes is elected as the chairman of the board of directors (item 11).

The nomination committee notes that the board of directors intends to appoint Bengt Kjell as deputy chairman of the board of directors (re-election).

The board members proposed for re-election until the end of the annual shareholders' meeting 2020 has been presented in the company's annual report and on the company's webpage [www.pandox.se](http://www.pandox.se).

- The accounting firm PwC is proposed for re-election as auditor for the time until the end of the annual shareholders' meeting 2020, in accordance with the audit committee's recommendation.

The nomination committee notes that Patrik Adolfson will be appointed auditor in charge should PwC be elected as auditor (item 12).

**The nomination committee's proposal for principles for appointment of a nomination committee for the annual shareholders' meeting 2019 (item 13)**

It is proposed that the nomination committee for the annual shareholders' meeting 2020 is appointed in accordance with the following:

Ahead of annual shareholders' meeting 2020, the nomination committee shall consist of members appointed by the four largest shareholders, in terms of votes, listed in the shareholders' register maintained by Euroclear Sweden as of 31 July 2019 together with the chairman of the board of directors, who will also convene the first meeting of the nomination committee. If a shareholder, who is entitled to appoint a representative to the nomination committee, abstains from appointing a representative, the right to appoint a representative shall pass to the largest shareholder who was previously not entitled to appoint a representative to the nomination committee. The member of the nomination committee that was appointed by the largest shareholder, in terms of votes, shall be appointed chairman of the nomination committee.

If one or more of the shareholders having appointed members of the nomination committee no longer are among the four largest shareholders, and this occurs earlier than two months prior to the annual shareholders' meeting 2020, the members appointed by these shareholders shall offer to resign and the shareholders who then are among the four largest shareholders may appoint their representatives. Unless there are special reasons, no changes shall occur in the nomination committee's composition in the event of a marginal change in voting power or if the change occurs later than two months before the annual shareholders' meeting.

Should a member resign from the nomination committee before its work is completed and the nomination committee considers it necessary to replace him or her, such substitute member is to represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn.

Changes to the composition of the nomination committee must be announced immediately. The composition of the nomination committee shall be announced no later than six months before the annual shareholders' meeting.

Remuneration shall not be paid to the members of the nomination committee. The company is, however, to pay any necessary expenses that the nomination committee may incur in its work.

The term of office for the nomination committee ends when the composition of the following nomination committee has been announced.

### ***The board of directors' proposals***

#### **Allocation of the company's profits or losses in accordance with the adopted balance sheet (item 8b)**

The funds at the meeting's disposal consists of the profit of the year, SEK 733,664,141 and the company's accumulated results, SEK 3,390,427,303, in total SEK 4,124,091,444.

The board proposes that the funds at the meeting's disposal, SEK 4,124,091,444, shall be allocated as dividends to the shareholders of SEK 4.70 per share, in total SEK 787,249,995, and that the remaining unrestricted equity, SEK 3,336,841,449, is carried forward. 12 April 2019 is proposed as record day for dividends. If the annual shareholders' meeting adopts a resolution in accordance with the proposal, the dividend is estimated to be paid through Euroclear Sweden on 17 April 2019.

#### **The board of directors' proposal for guidelines for remuneration for members of management (item 14)**

The board of directors proposes that the annual shareholders' meeting resolves to adopt the following guidelines for the remuneration of the members of management.

Remuneration in Pandox should be competitive in comparison to that of similar companies in order to attract, motivate and retain key employees. The purpose is to provide incentives for members of management to execute strategic plans and to deliver good results as well as to align the interests of members of management with the interests of the shareholders.

Total remuneration shall consist of base salary, short-term incentive programs as well as long-term share, share price or performance-based incentive programs ("LTI-programs"), in addition to pension and other customary benefits.

- Base salary depends on the complexity of work and the individual's performance and competence. The salary shall be on market terms and competitive. Salary levels are to be reviewed annually.
- Short-term incentive programs shall be based on company-wide and individual targets. For the CEO in Pandox, remuneration from the short-term incentive programs shall amount to not more than six months' salary, and for other members of management in Pandox, not more than four months' salary.
- Vesting periods for LTI-programs shall be at least three years. LTI-programs shall be share, share price, or performance-based. For performance based LTI-programs the principal conditions shall be objectively measurable, be based on relevant result measures and/or sustainability. LTI-programs may be cash settled. LTI-programs shall ensure long term incentives related to Pandox' development.
- Agreements concerning pensions for members of management shall, wherever possible, be based on fixed premiums and be in accordance with the levels, practice and collective bargaining agreements applicable in the country where the relevant member of management is employed.
- Other benefits may consist of health insurance and other customary benefits. Other benefits shall not be a significant part of the total remuneration.

- In the event of termination of employment by Pandox, the notice period of termination shall be not more than 12 months.

The board of directors may deviate from these guidelines under special circumstances that motivate such deviation.

### **The board of directors' proposal on authorisation for the board of directors to resolve on new share issues (item 15)**

The board of directors proposes that the annual shareholders' meeting authorises the board to resolve – at one or several occasions and for the time period until the next annual shareholders' meeting – to increase the company's share capital by new share issues, to the extent that it corresponds to a dilution of not more than 10 percent of the number of shares outstanding at the time of the notice of the annual shareholders' meeting, after full exercise of the hereby proposed authorisation.

New share issues may be made with or without deviation from the shareholders' preferential rights and with or without provisions for contribution in kind, set-off or other conditions. Pursuant to Chapter 16 of the Swedish Companies Act, the board of directors may not by virtue of this authorisation resolve on issues to board members in group companies, employees, etc. The purpose of the authorisation is to increase the financial flexibility of the company and the acting scope of the board. Should the board of directors resolve on an issue with deviation from the shareholder's preferential rights, the reason shall be to secure financing capacity to current or future possible acquisitions of property companies, properties or hotel related businesses. Upon such deviation from the shareholders' preferential rights, the new issue shall be made at market terms and conditions.

The board of directors or the CEO shall have the right to make such minor adjustments in this resolution that may be necessary in connection with the registration of the authorisation with the Swedish Companies Registration Office.

### **Majority requirements**

A resolution in accordance with the board's proposal under item 15 shall only be valid where supported by not less than two-thirds (2/3) of both the votes cast and the shares represented at the meeting.

### **Other information**

The annual report and the auditor's report for the financial year 2018 will be available at the company's office, Vasagatan 11, 101 20 Stockholm and at the company's webpage, [www.pandox.se](http://www.pandox.se). Further, the nomination committee's complete proposals and motivated statement will be available on the address stated above as well as on the webpage stated above at least four weeks before the meeting. Copies of the documents will be sent to the shareholders who so request and who inform the company of their postal address.

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).



Pandox has its registered office in Stockholm.

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Stockholm, March 2019

**Pandox Aktiebolag (publ)**

*The board of directors*

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***About Pandox***

*Pandox is a leading owner of hotel properties in Northern Europe with a focus on sizeable hotels in key leisure and corporate destinations. Pandox's hotel property portfolio comprises 144 hotels with approximately 32,300 hotel rooms in 15 countries. Pandox's business is organised into Property management, which comprises hotel properties leased on a long-term basis to market leading hotel operators, and Operator activities, which comprises hotel operations executed by Pandox in its owner-occupied hotel properties. Pandox was founded in 1995 and the company's B shares are listed on Nasdaq Stockholm. [www.pandox.se](http://www.pandox.se)*