

## **Proposals for resolutions, statement of explanation and account of its work by the Election Committee of Momentum Group AB (publ) ahead of the Annual General Meeting on 29 August 2019**

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### **Background**

On 8 February 2019, in accordance with the resolution passed by Momentum Group AB's 2018 Annual General Meeting, an Election Committee was announced with representatives of the largest shareholders/shareholder groups by vote as of 31 December 2018. However, the then largest shareholder by vote, Tisenhult-gruppen, sold its shares in the Company to Nordstjernan on 22 February 2019. Accordingly, Tisenhult-gruppen relinquished its seat in the Election Committee to Nordstjernan. As announced on 8 March 2019, the Election Committee ahead of the 2019 Annual General Meeting comprises Marianne Flink (appointed by Swedbank Robur Funds), Lilian Fossum Biner (appointed by Handelsbanken Funds), Tom Hedelius, Tobias Lönnevall (appointed by Nordstjernan) and Chairman of the Board Jörgen Wigh. Tobias Lönnevall was appointed by the Election Committee as Chairman of the Election Committee. The Election Committee members represent approximately 45 percent of the total number of voting rights in Momentum Group AB.

The Election Committee, in accordance with the principles established by the Annual General Meeting, has been mandated to draw up proposals on the following issues to be presented at Momentum Group's Annual General Meeting on 29 August 2019:

- Chairman to preside over the Annual General Meeting,
- the number of Directors and the election of the Company's Board of Directors and Chairman of the Board,
- fees to Directors and the Chairman of the Board and for committee work,
- election of a registered accounting firm and fees to auditors, and
- any changes in the principles for appointing the Election Committee and for the Election Committee's duties.

The Election Committee has held three meetings during which minutes were taken and maintained regular communications between the meetings. As a basis for its work, the Election Committee has been briefed on, among other things, the assessment by the Board of Directors of its work carried out during the year and interviewed current members of the Board as well as potential new Directors. To assess the demands facing the Board of Directors as a result of the Company's position, strategic challenges and future direction, the Election Committee has discussed the Board's size and composition in terms of industry experience and expertise and how the Board's work has been conducted, etc.

### **Proposals by the Election Committee for resolutions**

#### *Chairman to preside over the 2019 Annual General Meeting*

- Chairman of the Board Jörgen Wigh.

#### *Election of the Company's Board of Directors and Chairman of the Board*

The Election Committee proposes the following:

- Five regular Directors (unchanged number).
- Re-election of current Directors Charlotte Hansson, Stefan Hedelius and Gunilla Spongh. Election of Johan Sjö and Göran Näsholm as new Directors. Current Director Fredrik Börjesson and Chairman of the Board Jörgen Wigh have declined re-election.
- Election of Johan Sjö as new Chairman of the Board.

Taking into consideration Momentum Group's operations, stage of development, strategy and position, the Election Committee considers the composition of the proposed Board of Directors to be appropriate and characterised by diverse and broad expertise, experience and backgrounds. With respect to gender distribution, the proposed composition of the Board includes two women and three men. Accordingly, the proportion of women on the Board would be 40 percent, which is unchanged from the 2018 Annual General Meeting. The Election Committee considers diversity to be an important issue and pursues a diversity policy in compliance with rule 4.1 of the Swedish Corporate Governance Code (the "Code").

Johan Sjö (born in 1967) holds an M.Sc. in Economics. Johan Sjö previously served as President & CEO of Addtech AB and has held senior positions in the Bergman & Beving Group. Prior to this, Johan Sjö worked at Alfred Berg / ABN Amro. Johan Sjö is currently Chairman of the Board of AddLife AB, Bergman & Beving AB and OptiGroup AB as well as a Director of Addtech AB, Bufab AB and Camfil AB.

Göran Näsholm (born in 1955) holds an M.Sc. in Mechanical Engineering and an M.Sc. in Economics. Göran Näsholm previously served as President & CEO of Ahlsell AB and has held other senior positions in the Ahlsell Group. Göran Näsholm has served as CEO for Jirva AB, purchasing director of Calor Celsius AB and has held purchasing positions in Alfa Laval. Göran Näsholm is currently Chairman of the Board of Malef Holding AB and others as well as a Director of Clas Ohlson AB, Martin & Servera AB and Pegroco Invest AB.

The proposed composition of the Board of Momentum Group AB meets the requirement of the Code with respect to independent Directors. With the exception of Stefan Hedelius, all of the Directors are considered independent in relation to the Company's major shareholders. All of the Directors are considered independent in relation to the Company and management.

Further information about the proposed Directors is available at Momentum Group's website, [www.momentum.group](http://www.momentum.group).

#### *Fees to Directors and the Chairman of the Board*

The Election Committee proposes the following fees per Director:

- Fee for Directors elected by the Annual General Meeting: SEK 280,000 per Director (preceding year: SEK 275,000)
- Fee for Chairman of the Board: SEK 610,000 (preceding year: SEK 600,000)

In addition, a special fee of SEK 50,000 (preceding year: SEK 50,000) is proposed for each member of the Compensation Committee (two individuals) and a fee of SEK 60,000 (preceding year: SEK 50,000) for the Chairman of the Audit Committee.

Directors may, by special arrangement with the Company and insofar as applicable legislation and prevailing jurisprudence so permit, invoice their fees plus social security contributions and value added tax from a company owned by the Director, or from their private business, provided that such payment is cost neutral for the Company.

#### *Election of a registered accounting firm and fees to auditors*

The Election Committee proposes the re-election of the registered accounting firm KPMG AB for the period until the end of the next Annual General Meeting. This proposal is in line with the recommendation of the Audit Committee.

It is proposed that fees to auditors be paid in accordance to approved invoices.

*The principles for appointing the Election Committee and the duties of the Election Committee*  
The Election Committee does not propose any changes in the principles for appointing the Election Committee and the duties of the Election Committee that were adopted by the 2018 Annual General Meeting.

Stockholm, July 2019

Election Committee of Momentum Group AB

*This document is in all respect a translation of the Swedish original. In the event of any differences between this translation and the Swedish original, the latter shall prevail.*