

Official notification of Annual General Meeting of Elos AB (publ)

The shareholders of Elos AB (publ), 556021-9650 are hereby invited to the Annual General Meeting to be held on Monday 27 April 2015, at 5.00 p.m. (CET) at Stadt Hotel, Gamla Stadens Torg 1, Lidköping, Sweden.

Registration

Shareholders who wish to participate in the Annual General Meeting must firstly, be recorded in the share register maintained by Euroclear Sweden AB on Tuesday April 21, 2015, and

Secondly, give notice to the company of their intention to attend no later than 12:00 noon (CET) on Tuesday April 21, 2015, by writing to the company at Nya Stadens Torg 10, SE-531 31 Lidköping, telephoning +46 (0)510 48 43 60, telefaxing +46 (0)510 680 04 or registering by email to info@elos.se. The registration must also include the shareholders' name, personal identification number and address, as well as details of any advisors (maximum two) who will be accompanying the shareholder.

Shareholders, whose shares are registered in the name of an authorised nominee through a bank's notary department or a private stockbroker, must temporarily re-register their shares in their own names at Euroclear Sweden AB no later than 21 April 2015 to be entitled to participate in the Annual General Meeting. The shareholder must inform the nominee in ample time prior to 21 April 2015.

Shareholders represented by proxy must issue a written power of attorney for the proxy. If the power of attorney is issued by a legal entity, it must be supported by an enclosed attested copy of the registration certificate or similar documentation for the legal entity. The power of attorney is to be valid for a maximum of one year from the date of issue, or for the maximum period stated in the power of attorney, although not more than five years from the date of issue. To facilitate checking in at the Annual General Meeting, the original power of attorney document and attested copies of the authorization documents (registration certificate or similar) should reach the company not later than 21 April 2015.

Business

- 1 Opening of the General Meeting
- 2 Election of the chairman of the General Meeting
- 3 Preparation and approval of the Voting list
- 4 Approval of the Agenda
- 5 Election of two persons to verify the Minutes
- 6 Determination of whether the General Meeting has been duly convened
- 7 Address by the Managing Director
- 8 Presentation of the Annual Report and the Auditor's Report, as well as the consolidated financial statements and the Auditor's Report on the consolidated financial statements for 2014
- 9 Resolution on the adoption of the Income statement and statement of comprehensive income and the Balance sheet, as well as the Consolidated income statement and statement of comprehensive income and the Consolidated balance sheet
- 10 Resolution on the disposition of the earnings of the company in accordance with the adopted Balance sheet
- 11 Determination of the discharge from personal liability of the Members of the Board of Directors and the Managing Director
- 12 Determination of number of Members of the Board

- 13 Determination of the compensations to be paid to Members of the Board and the Auditors
- 14 Election of Members of the Board
- 15 Election of Auditors
- 16 Proposal by the Board of Directors concerning to amend the Articles of Association
- 17 Proposal by the Board of Directors concerning a resolution to authorise the Board to make decisions regarding new share issues
- 18 Proposal by the Board of Directors concerning guidelines for remuneration of senior executives
- 19 Proposal regarding resolution concerning the Nomination Committee
- 20 Other issues
- 21 Closing of the Meeting

Proposed resolutions

Proposals with the main content as presented below will be presented to the Annual General Meeting regarding the following issues:

Item 2 ***Election of Chairman of the Meeting***

Nomination Committee's proposal for Chairman of the Annual General Meeting: Stig-Arne Blom

Item 10 ***Proposed disposition of earnings***

The Board of Directors proposes that a dividend of SEK 2.00 per share be paid for the 2014 financial year, plus an extra dividend of SEK 1.00 per share. The proposed record day for dividend entitlement is Wednesday, 29 April 2015. If the Annual General Meeting resolves in accordance with the proposal, dividends are expected to be distributed from Euroclear AB on Tuesday, 5 May 2015.

The Nomination Committee has proposed that the Annual General Meeting resolves as follows:

Item 12 ***Proposal concerning numbers of Board members***

The Board of Directors shall consist of six members (previously seven).

Item 13 ***Proposal concerning fees to Board members and Auditors***

The compensation payable to the Board of Directors shall be divided as follows: SEK 300,000 to the Chairman of the Board and SEK 150,000 to each Board member who is not employed by the company. Compensation amounted to total SEK 150,000 to the Remuneration Committee and the Audit Committee to be divided among the Board members as the Board's decision.

Compensation paid to the Auditor(s) will be payable in the amounts shown on submitted invoices.

Item 14 ***Proposal concerning election of Board members***

The Board Members Göran Brorsson and Erik Löwenadler have declined re-election.

The Nomination Committee proposes the re-election of Board Members Agneta Bengtsson Runmarker, Stig-Arne Blom, Jeppe Magnusson, Mats Nilsson and Thomas Öster. Yvonne Mårtensson is proposed as new Board Member. The Nomination Committee proposes the re-election of Stig-Arne Blom as Chairman of the Board.

Reasoned statement concerning the Nomination Committee's proposal to the Board

As a basis for its proposal to the Board, the Nomination Committee has availed itself of the evaluation that has been conducted of the Board of Directors and its work. The Nomination Committee has also discussed the demands in respect of competency, experience and background that are required on the Board of Directors of Elos AB, taking into account the company's strategic development orientation in terms of the way this has progressed during recent years. Matters related to independence and the needs for diversity in respect of composition were also addressed, as was the suitable number of Board Members from the viewpoint of work efficiency.

In the opinion of the Nomination Committee, the efficiency of the work conducted by the Board is of major importance to Elos AB. In view of this and taking into account the concentration of operations that has occurred at Elos, the Nomination Committee has concluded that the number of Board Members should be reduced to six.

In the opinion of the Nomination Committee, the proposed Board of Directors has an appropriate composition considering the direction of the company's operations, stage of development and other circumstances.

The Nomination Committee's proposal concerning the composition of the company's Board of Directors complies with the independence requirements concerning members as specified in Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code.

The Nomination Committee's proposal concerning director fees and remuneration for work on Board committees is based on an assessment of the requirements for responsibility, work effort and qualifications to which the Elos AB's Board of Directors should be subject in view of the remuneration levels prevailing in the market.

Item 15 ***Proposal concerning election of Auditors***

The Nomination Committee proposes that the registered firm of accountants, Öhrlings PricewaterhouseCoopers AB, be re-elected as auditor for a period of one year, with the Authorised Public Accountant Bror Frid as Auditor-in-Charge.

A number of major shareholders representing more than half of the total votes for all shares in the company have announced that they will vote in accordance with the Nomination Committee's aforementioned proposals under Items 12-15.

Item 16 ***Proposal by the Board of Directors concerning to amend the Articles of Association***

The Board of Directors proposes the following amendment to the Articles of Association:

Article 1 The company's registered name is **Elos Medtech AB**. The company is a public company (publ.).

Article 3 Supplement to the company's operations "**injection moulding of thermoplastics**".

Item 17 ***Proposal by the Board of Directors to authorise the Board to make decisions regarding new share issues***

The Board of Directors has submitted a proposal to authorise the Board during the period through the close of the next Annual General Meeting to make one or more decisions to increase the company's share capital – at full conversion based on the conversion price on the issue date – by a maximum of SEK 3,750,000 through new issues of not more than 600,000 class B shares and/or convertible shares exchangeable for not more than 600,000 class B shares. The shares shall be issued without preferential rights for shareholders to participate in the issue(s). Decisions concerning new share issues may also contain specifications that subscription may be effected through payment of capital contributed in kind or through payment offsetting debt. The authorisation to make decisions concerning new share issues, in the form of non-cash issues and issues offsetting debt, is intended to create opportunities for the company to acquire all or parts of other companies. The terms and condition of share issues, including the issue price, shall be based on market value. Full utilization of the authorisation corresponds to approximately nine (9) per cent of the total number of shares.

Item 18 ***Proposal by the Board of Directors concerning guidelines for remuneration of senior executives***

The Board of Directors proposes that the Annual General Meeting resolve in accordance with the guidelines presented below for remuneration and terms of employment for senior executives. The Board's proposal is largely in line with remuneration principles used in preceding years and is based on agreements already entered between the company and respective members of the corporate management. Remuneration matters are addressed and managed by the remuneration committee.

The guidelines shall apply to those persons who, during the period in which the guidelines apply, include members of the corporate management and senior executives of the Group. The guidelines shall apply for agreements entered after the Annual General Meeting's resolution and, for cases in which changes are made in existing agreements after the Annual General Meeting.

The company shall offer competitive total remuneration that makes it possible to recruit and retain leading management personnel. The remuneration of senior executives shall consist of a fixed salary; in addition, a variable salary, individual retirement pensions and other remuneration might also be included in the remuneration package. The combination of these payments comprises the individual's total remuneration. The variable salary may vary depending on assignment and agreements and shall not exceed 45 per cent of fixed salary. Individual retirement pensions are limited so that they are tax deductible for the company. Retirement age is normally 65.

Management's employment agreements include termination specifications. In accordance with these agreements, employment can usually be terminated at the employee's request with a 3-6 month notice of termination, while the company is normally obliged to serve a 6-12 month notice of termination. For the Managing Director of the company, a notice period of up to 12 months shall apply. Settlement shall be made against other sources of income during the termination notice.

The Board of Directors has the right to disapply the guidelines above if the Board feels there is justification for such deviations in a specific case.

Item 19 ***Proposal for resolution concerning the Nomination Committee***

The Nomination Committee proposes that the Annual General Meeting resolve on the following principles for the composition of the Nomination Committee ahead of the 2016 Annual General Meeting.

The Nomination Committee's task ahead of the 2016 Annual General Meeting is to prepare and submit proposals concerning:

- a. Election of Chairman of the AGM
- b. Number of members of the Board of Directors
- c. Fees to be payable to Board Members and the Chairman and remuneration for Committee work
- d. Election of members and Chairman of the Board
- e. Fees to be payable to the auditor
- f. Election of auditor
- g. Tasks and principles for the Nomination Committee

The Nomination Committee shall consist of at least four and no more than six members, of whom one is to be the Chairman of the Board. On the basis of the list of registered shareholders maintained by Euroclear, the Chairman of the Board is to invite the three largest shareholders in the company in terms of voting rights at 31 August 2015 and thereafter the largest shareholder in terms of capital to appoint the members of the Nomination Committee. Should a shareholder decline to elect a member within one week of being contacted by the Chairman, the right to elect a member will transfer to the shareholder who is next in line in terms of the proportion of voting rights and share capital.

The Nomination Committee appoints a chairman from among its own members.

The company is obligated to disclose the composition of the Nomination Committee through a press release and on the company's website no later than six months prior to the Annual General Meeting.

The Nomination Committee's period in office expires when a new Nomination Committee has been appointed. If one or more members step down from the Nomination Committee before it completes its work, the remaining members shall make the changes regarded as necessary from among the company's shareholders to reflect share ownership in the manner stated above. This also applies if a shareholder equity who has appointed a member to the Nomination Committee substantially reduces his/her shareholding in the company. However, no changes are to be made if the work of the Nomination Committee's has been essentially completed. Changes to the composition of the Nomination Committee are to be published on the company's website.

When appointing the Nomination Committee, the regulations of the Swedish Code of Corporate Governance (Code) must be followed, entailing, for example, that a member of the Nomination Committee may not be a member of company management, that Board members are not to comprise a majority and that a maximum of one Board member represented on the Nomination Committee may be dependent in relation to any of the company's major shareholders.

No remuneration is to be paid to members of the Nomination Committee. The company will defray reasonable expenses for the input required from

consultants, advisors or others that the Nomination Committee may need to fulfil its task.

Other

The financial accounts, the auditor's report, comments by the auditor in accordance with Chapter 8, Section 54 of the Swedish Companies Act, power(s) of attorney forms and the Board's complete proposals concerning resolutions will be made available to shareholders in the company from 8 April 2014 and may be accessed at the company's website www.elos.se and the company's head office, Nya Stadens Torg 10, Lidköping, Sweden. These documents will be sent to shareholders upon request, which must include the shareholder's postal address.

The Board of Directors and the President, if requested by a shareholder and the Board does not consider the information harmful to the company, are required to disclose information about: the conditions that could influence the assessment of an issue on the agenda; conditions that could impact the assessment of the financial situation of the company or subsidiaries; and the company's relationship to other Group companies.

The total number of shares in the company is 6,051,000 comprising 1,099,740 class A shares and 4,951,260 class B shares. The total number of votes in the company is 1,594,866.

After the Annual General Meeting, the company will serve light refreshments.

Lidköping, March 2015

The Board of Directors

The information of this press release is of the kind that Elos AB has to make public according to the Securities Market Act and/or the Financial Instruments Trading Act.
The information was made public on March 27, 2015 at 08:00 (CET).