

Minutes Taken at the Annual General Meeting of the Shareholders of AB Fagerhult, 556110-6203, on 3 May 2017 in Habo

Shareholders present: As listed in Appendix 1

§ 1 Opening of meeting

The meeting was opened by Jan Svensson.

§ 2 Election of a chairman for the meeting

Jan Svensson was appointed as chairman to lead the proceedings. Thomas Jansson was appointed secretary for the meeting.

§ 3 Preparation and approval of the electoral roll

The list of attending shareholders in Appendix 1 was approved as electoral roll.

§ 4 Approval of the agenda

The meeting approved the agenda.

§ 5 Election of scrutinisers

Ulf Karlsson and Bo Fagerlind were appointed to check the minutes of the meeting along with the chairman.

§ 6 Determination of whether the meeting has been duly convened

The meeting was determined to have been duly convened.

§ 7 Submission of the annual report and auditor's report, and of the consolidated financial statements and consolidated auditor's report

The annual report and auditor's report, and the consolidated financial statements and consolidated auditor's report for the financial year of 2016 were submitted.

§ 8 Presentation by the Chief Executive Officer

Johan Hjertsson, the company's Chief Executive Officer gave a presentation and those attending were given an opportunity to ask questions.

§ 9 Resolution on adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet

The company's auditor commented on the audit for the year and on the auditor's report. The meeting then adopted the income statement and balance sheet, as contained in the annual report for the parent company and the Group, for the financial year 2016.

§ 10 Resolution on the appropriation of the company's profit, as stated in the adopted balance sheet

In accordance with the recommendation of the Board and CEO, the meeting resolved that the available funds of MSEK 344.3 be used to pay a dividend to the shareholders of SEK 4.50 per share, resulting in a total distribution of MSEK 171.4, and that the remaining available funds of MSEK 172.9 be carried forward. The record date for the dividend was set for 5 May 2017.

§ 11 Resolution on release from liability for the Directors and Chief Executive Officer

The meeting resolved to release the Directors and Chief Executive Officer from liability in respect of the administration of the company's affairs for the year 2016.

§ 12 Determination of the number of Directors and Deputy Directors

Evert Carlsson gave an account of the work of the Nominating Committee. The meeting resolved that the Board of Directors shall consist of seven (7) regular Directors with no deputies.

§ 13 Determination of Directors' and auditors' fees

The meeting resolved to approve the payment of fees in a total amount of SEK 2,300,000 to the AGM-appointed Directors for the period until the next Annual General Meeting. The Chairman of the Board will receive SEK 650,000, the Vice Chairman SEK 450,000 and the other AGM-appointed Directors SEK 300,000 each.

Directors' fees are not paid to employees in the Group. No fee is paid for committee work.

The meeting resolved that fees be paid to the auditors on the basis of invoices.

§ 14 Election of the Chairman of the Board and Directors

Eric Douglas, Cecilia Fasth, Catherina Fored, Johan Hjertonsson, Fredrik Palmstierna and Jan Svensson For were re-elected as regular Directors for the period until the next Annual General Meeting and Morten Falkenberg was elected as a new Director in place of Björn Karlsson, who is stepping down from the Board.

Jan Svensson was elected Chairman of the Board.

§ 15 Election of an auditor

PwC was elected as auditor for the period until the end of the next Annual General Meeting. PwC has announced that the Authorised Public Accountant Peter Nyllinge will be auditor-in-charge.

§ 16 Resolution on amendment of the Articles of Association

The meeting resolved to increase the number of shares authorised in the Articles of Association to between 30 million and 120 million. One shareholder expressed reservations against the resolution but a majority of more than two thirds of the number of votes cast and the number of shares represented at the meeting voted to increase the number of shares authorised in the Articles of Association to between 30 million and 120 million. The Articles of Association, formulated to take account of the aforementioned resolution, are enclosed as Appendix 2.

§ 17 Resolution on a 3:1 share split

The meeting resolved to authorise a 3:1 share split, i.e. to increase the number of shares in the company by dividing each share into three shares. The resolution was not unanimous but a significant majority exceeding more than half of the number of votes cast and the number of shares represented and the meeting voted for a 3:1 share split. The meeting further resolved to authorise the Board, or such party as the Board may appoint, to make the necessary adjustments to the resolution authorising the share split in connection with registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

The record date to be registered with Euroclear Sweden AB for implementation of the share split was set for 16 June 2017.

§ 18 Authorisation of the Board to approve share buybacks during the period until the next Annual General Meeting

The Board was authorised to approve the buyback of shares of the company during the period until the next Annual General Meeting. The resolution of the meeting on this matter was unanimous. The authorisation is intended, if deemed appropriate, to enable acquisitions of businesses using shares of the company as payment, to ensure that Fagerhult's capital structure can be continually adapted, and to cover any long-term incentive schemes for the company's employees. Share buybacks may be made on NASDAQ OMX Stockholm at a price which at any given is within the registered spread, defined as the spread between the highest bid price and the lowest ask price. The number of shares repurchased may not exceed such number as would cause the company's total holding of treasury shares to exceed 10 per cent of all outstanding shares of the company. Share buybacks may be made on one or more occasions.

§ 19 Authorisation of the Board to approve the transfer of treasury shares during the period until the next Annual General Meeting

The Board was authorised, during the period until the next Annual General Meeting, to sell treasury shares, in connection with the acquisition of businesses or operations, by other means than on NASDAQ OMX Stockholm. The resolution of the meeting on this matter was unanimous. The authorisation may be used on one or more occasions and covers all treasury shares held by the company at the time of the Board's resolution. The authorisation includes a

right to disapply the pre-emption rights of existing shareholders, and to apply or not apply provisions on non-cash payment or payment by set-off. Shares may be sold for a price in money or for a value of the assets received that is equal to the share price at the time of the sale of the transferred Fagerhult shares and with such disapplication of the pre-emption rights of existing shareholders as the Board deems appropriate.

§ 20 Adoption of principles for the appointment of the Nominating Committee

The Annual General Meeting appointed a Nominating Committee consisting of one representative of each of the four shareholders or owner groups which held the largest number of votes at 31 August 2017 and the Chairman of the Board. The Chairman shall be invited to attend meetings of the Nominating Committee without the right to vote. The Nominating Committee shall be formed after the Chairman has identified the four largest shareholders of the company in terms of votes, who along with the Chairman shall constitute the Nominating Committee. In the event that any of the four largest shareholders waives its right to appoint a representative, this right shall be transferred to the shareholder which after the waiving shareholder has the largest shareholding at the date concerned. The names of the four Directors and the names of the shareholders they represent shall be published no later than in connection with the company's interim report for the third quarter, along with the names of those persons who may be contacted with regard to questions concerning the Nominating Committee. The mandate of the Nominating Committee shall end on the appointment of a new Nominating Committee.

§ 21 Adoption of principles for remuneration of senior executives

The Board's proposed guidelines for remuneration of senior executives, as contained in Appendix 3, were adopted.

§ 22 Resolution on performance share scheme for senior executives

Jan Svensson, the Chairman of the Board, informed the meeting on the outcome of the 2014 and 2015 share save schemes, and those attending were given the opportunity to ask questions.

Twenty-five people participated in the 2014 share save scheme, investing in a total of 19,284 shares (saving shares). The total number of shares that will be allocated at the end of the scheme is 67,133. Matching shares and performance shares were allocated under the scheme. One matching share is allocated for each scheme share held if the criteria defined in the scheme have been met. Performance shares are allocated if a financial target based on earnings per share has been met. The target was average earnings per share for 2014 and 2015 of SEK 5.00-5.67. Actual earnings per share were SEK 7.26, which means that the maximum number of shares were allocated. The total cost for this share save scheme was MSEK 11.4, including costs for the allocated shares and social security contributions.

For the 2015 share save scheme, the defined target for performance shares was based on average earnings per share for 2015 and 2016. The lower limit was SEK 8.00 per share and the limit for the maximum allocation of performance shares was SEK 10.50 per share. Actual earnings per share were SEK 8.83, which represents 55.2 per cent of the maximum outcome for the allocation of performance shares. The Board intends to present a full report at the next Annual General Meeting.

The meeting resolved to introduce a performance share scheme for senior executives, as proposed by the Board in Section 22.a of the Notice of Annual General Meeting. One shareholder voted no to the proposal, but a significant majority of the number of votes cast and the number of shares represented at the meeting voted for the introduction of a performance share scheme. The scheme will run for three years and involve approximately 36 senior executives in the Group, who will be invited to take part in the scheme by investing an amount of at least 25 per cent and up to 100 per cent of his or her monthly salary for March 2017.

The Board undertook to inform shareholders at future Annual General Meetings of the target levels and outcomes for the scheme.

The meeting resolved, in accordance with Section 22.b of the Notice of Annual General Meeting, to ensure delivery of Fagerhult shares during the 2017 Performance Share Scheme through the transfer of treasury shares of Fagerhult to the scheme participants. One shareholder voted no to the proposal, but a majority exceeding nine tenths of the number of votes cast and the number of shares represented at the meeting voted for the Board's proposed method for transferring shares for the 2017 performance scheme. The meeting resolved to approve the transfer of treasury shares on the following conditions:

- (i) A maximum of 240,000 Fagerhult shares may be transferred to participants of Performance Share Scheme 2017 (or such higher number of shares as may result from a recalculation due to a bonus issue, share consolidation or share split, rights issue or similar action, in accordance with normal practice for equivalent incentive schemes).
- (ii) Transfers of shares shall be made without payment at the time of transfer and in accordance with the terms and conditions under which participants in Performance Share Scheme 2017 are entitled to receive allocations of shares.

§ 23 Authorisation for the Board to decide to sell the company's business in Slovakia, Fagerhult s.r.o., to one of the company's employees

The Board unanimously resolved to approve the Board's proposed sale of the company's business in Slovakia to Peter Meinel, who is Head of Sales for Fagerhult s.r.o. and has been employed since 2013. The transfer is subject to Chapter 16 of the Swedish Companies Act (the "Leo" rules) and is thus contingent on authorisation by the Annual General Meeting of AB Fagerhult.

§ 24 Other items

No other items were addressed.

§ 25 Closure of the meeting

The meeting was closed.

Keeper of the minutes

Thomas Jansson

Minutes checked by

Jan Svensson

Ulf Karlsson

Bo Fagerlind