

**Notice convening extraordinary general meeting of Nolato AB (publ)**

The shareholders of Nolato AB (publ), company registration number 556080-4592 (“the Company”), are hereby invited to attend an Extraordinary General Meeting on Monday 5 December, 2016, at 10:00 a.m. CET at the Company’s head office at Nolatovägen, Torekov, Sweden.

**Registration, etc.**

Shareholders wishing to participate in the Extraordinary General Meeting should both be listed on the register of shareholders maintained by Euroclear Sweden AB on Tuesday 29 November 2016 and should register their intention to attend the Extraordinary General Meeting with the Company no later than 12:00 noon CET on Tuesday 29 November 2016.

Attendees may register in one of the following ways:

- at [www.nolato.com](http://www.nolato.com)
- by faxing +46 431 442291
- by writing to Nolato AB, 269 04 Torekov, Sweden

When registering, shareholders should provide their

- name
- address
- phone number
- personal ID or company registration number
- number of shares
- name of any accompanying assistants
- name of any representative

These details will be used only for the purposes of registering attendance and drawing up a register of voters.

For shareholders who will be represented by a representative, an original power of attorney should be sent when registering along with, where the party granting power of attorney is a legal entity, proof of registration or other documentation demonstrating the authority of the company signatory. Power of attorney forms are available on the Company’s website, [www.nolato.com](http://www.nolato.com), and will also be sent to those shareholders who so request and submit their postal address.

Shareholders wishing to bring one or two assistants should register their intention to do so before the deadline for shareholder registration.

Shareholders who, through the trust department of a bank or some other manager, have registered their shares in the name of a nominee, must temporarily register the shares in their own name in order to be entitled to participate in the Extraordinary General Meeting following registration. In order for this registration to be entered in the register of shareholders no later than 29 November 2016, shareholders must request re-registration by the manager well in advance of this date.

**Proposed agenda**

1. Opening the meeting and electing a chairman for the meeting
2. Drawing up and approving the register of voters
3. Approving the agenda
4. Electing one or two people to check the minutes
5. Determining whether the meeting has been duly convened
6. Resolution on the establishment of incentive programmes for senior executives in the Group via a) the issue of warrants with deviation from shareholders’ preferential rights, and b) approval of the transfer of such warrants to senior executives in the Company and other Group companies
7. Conclusion of the meeting

## Resolution proposals

### Resolution on the establishment of incentive programme for senior executives (item 6 on the agenda):

The Board of Directors proposes that the meeting resolve on the introduction of an incentive programme by the Company carrying out an issue of warrants to a subsidiary established for this purpose, the Incentive Company, which will subsequently reassign warrants at 1/3 per year of the total programme over three years, to the management of the Company or of some of its subsidiaries according to the terms stated below ('2016/2021 Incentive Programmes'). The transfer of warrants to management shall be carried out at the warrant's market value (i.e. the option premium).

The reason for the deviation from shareholders' preferential rights is that the Board of Directors is of the opinion that a personal, long-term owner commitment from management may be expected to contribute to increased interest in the Company's operations and earnings performance. Furthermore, owner commitment is expected to raise participants' motivation and affinity with the Company. The Board of Directors therefore considers that the proposal is advantageous for the Company and its shareholders.

The maximum dilution effect of 2016/2021 Incentive Programmes is expected to amount to a total of approximately 3 percent of share capital and 1.6 percent of votes in the Company (calculated based on the number of existing shares in the Company), provided that all warrants are fully subscribed for and exercised.

This proposal has been prepared by the Remuneration Committee and the Board of Directors.

#### A. Issue of warrants to the Incentive Company

The issue includes up to 798,000 warrants in three different series: 2016/2019, 2017/2020 and 2018/2021, with 266,000 options in each series, entitling holders to subscribe for an equal number of B shares in the Company. Each warrant thus entitles the holder to subscribe for one (1) new B share in the Company. If all the warrants are exercised, this will bring about an increase in the share capital of up to SEK 3,990,000. In other respects, the following terms will apply for the decision.

The right to subscribe for the warrants will, with deviation from shareholders' preferential rights, exclusively fall to the subsidiary Goldcup 13756 AB, 559082-2614, with a change of name to Nolato Incentive AB. Oversubscription may not occur.

The warrants will be issued free of charge.

Subscription for the warrants shall take place within three weeks of the date of the issue decision. The Board of Directors is entitled to extend the subscription period.

New subscription for B shares upon exercise of warrants may take place as follows:

For Series 1 warrants (2016/2019) for the period from 1 May 2019 through 15 December 2019.

For Series 2 warrants (2017/2020) for the period from 1 May 2020 through 15 December 2020.

For Series 3 warrants (2018/2021) for the period from 1 May 2021 through 15 December 2021.

Or in certain cases that allow early exercise of the warrants in accordance with the terms.

#### *Subscription price*

Each Series 1 warrant (2016/2019) shall entitle holders to subscribe for one new B share in the Company at a subscription price corresponding to 115 percent of the volume-weighted average price of the Company's B shares according to Nasdaq Stockholm's official price list for the period ten (10) trading days before the meeting's decision to introduce 2016/2021 Incentive Programmes.

Each Series 2 warrant (2017/2020) shall entitle holders to subscribe for a new B share in the Company at a subscription price corresponding to 115 percent of the volume-weighted average price of the Company's B shares according to Nasdaq Stockholm's official price list for the period ten (10) trading days before 1 November 2017. The subscription price, however, may not be less than the quotient value.

Each Series 3 warrant (2018/2021) shall entitle holders to subscribe for a new B share in the Company at a subscription price corresponding to 115 percent of the volume-weighted average price of the Company's B shares according to Nasdaq Stockholm's official price list for the period ten (10) trading days before 1 November 2018. The subscription price, however, may not be less than the quotient value.

The subscription price of all three series shall be rounded off to the nearest SEK 0.10, with SEK 0.05 being rounded down.

Series 1 warrants (2016/2019) shall in other respects be subject to the terms set out in Appendix 2A.

Series 2 warrants (2017/2020) shall in other respects be subject to the terms set out in Appendix 2B.

Series 3 warrants (2018/2021) shall in other respects be subject to the terms set out in Appendix 2C.

Section 8 of Appendix 2A–C states that the subscription price, as well as the number of shares to which each warrant entitles holders to subscribe for, may be restated in the event of a bonus issue, new share issue and in certain other cases.

The Board of Directors or the person appointed by the Board is authorised to make the minor adjustments required to register or implement the decision.

## **B. The reassignment of warrants to management**

The Board of Directors proposes that the meeting resolve to approve the Incentive Company's transfer of up to 798,000 warrants, at up to 266,000 warrants a year, in the Company under Series 1 (2016/2019), Series 2 (2017/2020) and Series 3 (2018/2021) to management, or in some other way have at its disposal warrants to meet the undertakings arising from 2016/2021 Incentive Programmes.

As part of 2016/2021 Incentive Programmes, management will be offered the opportunity to acquire warrants, divided into three different categories:

Category A (Group President and CEO) is offered the opportunity to acquire approximately 38,000 warrants a year;

Category B (Group Executive Management) is offered the opportunity to each acquire approximately 19,000 warrants a year; and

Category C (Other Management) is offered the opportunity to each acquire approximately 9,500 warrants a year;

Participants may choose to apply for a lower number of warrants than stated above.

The warrants will be transferred on market terms at a price established based on a calculated market value of the warrants using the Black & Scholes options valuation model.

The Board of Directors or a person authorised by Board is entitled to adjust the division of warrants and determine the terms that apply for the transfer and repurchase of warrants.

## **C. Financing and offering of bonus payment**

Participants are offered the opportunity to receive a bonus payment corresponding to half of the participant's option premium and the income tax charged on such bonus payment, provided that the participant's employment at the Company or subsidiary of the Company does not cease before three years have elapsed

from 1 November 2016 for the first part of the programme,

from 1 November 2017 for the next part of the programme, and finally

from 1 November 2018 for the final part of the programme.

In the event of entitlement to early exercise of the assigned warrants, e.g. in the event of, but not limited to, a delisting or transfer of the majority of the shares in the Company, participants will be offered the opportunity to receive a bonus payment even if the above time restrictions have not been fulfilled.

The Board of Directors or a person appointed by the Board is also entitled to offer a bonus payment for assigned warrants in the event of a change in circumstances attributable to the participant, such as death, illness or other circumstances giving rise to grounds of compassion.

Participants are themselves liable for financing the option premium when purchasing warrants.

#### D. Majority requirement

Decisions as per points A-C above shall be taken as a single decision and are therefore conditional on one another. In order for a resolution to be valid, it must receive the support of shareholders holding at least nine-tenths of both the issued votes and the shares represented at the meeting.

#### Information at the meeting

The Board of Directors and the President and CEO will – if any shareholder so requests and if the Board is of the opinion that such information may be provided without causing material harm to the Company – provide information about circumstances that could affect the assessment of a matter on the agenda.

#### Number of shares and votes

At the time of issue of this notice, the total number of shares in the Company amounts to 26,307,408 shares, divided into 2,759,400 A shares and 23,548,008 B shares. An A share entitles the holder to 10 votes, while a B share entitles the holder to 1 vote. The total number of votes consequently amounts to 51,142,008.

#### Provision of documents

A complete proposed resolution as per item 6 above and other documents in accordance with the Swedish Companies Act will be made available at the Company at the address Nolatovägen, 269 04 Torekov, Sweden no later than 14 November 2016. These documents are also available from Nolato's website, [www.nolato.com](http://www.nolato.com), under Corporate Governance. They will also be sent to those shareholders who request copies and provide their postal address.

We look forward to your participation.

Torekov, Sweden, November 2016  
Nolato AB (publ)  
Nolato's Board of Directors

This English version is a translation of the Swedish original for information purposes only. In the event of a discrepancy, the Swedish original shall prevail.

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For further information, please contact:  
Fredrik Arp, Chairman of the Board, +46708 207000

*Nolato is a Swedish group with operations in Europe, Asia and North America. We develop and manufacture products in polymer materials such as plastic, silicone and TPE for leading customers within medical technology, pharmaceuticals, telecom, automotive, hygiene and other selected industrial sectors. Nolato's shares are listed on Nasdaq Stockholm in the Mid Cap segment, where they are included in the Industrials sector.*

*This information is information that Nolato AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8.30 pm CET on 10 November, 2016.*

[www.nolato.com](http://www.nolato.com)