

# PROACT

Press release 30 March 2022

## **ANNUAL GENERAL MEETING OF PROACT IT GROUP AB (publ)**

The shareholders of Proact IT Group AB (publ), 556494-3446, are hereby summoned to the Annual General Meeting on Thursday, 5 May 2022.

The Board of Directors has decided that the Annual General Meeting should be conducted without the physical presence of shareholders, representatives or third parties and that the shareholders before the meeting should be able to exercise their voting rights only by post. Information on the resolutions passed at the meeting will be disclosed on 5 May 2022, as soon as the outcome of the postal voting has been finally confirmed.

Since the Annual General Meeting will be conducted without the physical presence of shareholders, representatives or third parties, there will not be any speech by the CEO. However, a pre-recorded speech will be made available on the company's website prior to the Annual General Meeting.

### **Registration and notification**

Shareholders who wish to participate in the Annual General Meeting by postal voting must

- Be recorded in the share register kept by Euroclear Sweden AB on Wednesday 27 April 2022, and
- Give notice of their intention to participate no later than Wednesday 4 May 2022, by casting their postal votes in accordance with the instructions under the heading *Postal voting* below so that the postal voting form is received by Computershare no later than that day. Please note that the notification to the Annual General Meeting can only be made by postal voting.

For shareholders who have their shares registered through a bank or other nominee, the following applies in order to be entitled to participate in the meeting. In addition to giving notice of participation by submitting its postal vote, such shareholder must re-register its shares in its own name so that the shareholder is registered in the share register kept by Euroclear Sweden AB as of the record date, Wednesday 27 April 2022. Such registration may be temporary (so-called voting rights registration). Shareholders who wish to register their shares in their own names must, in accordance with the respective nominee's routines, request that the nominee make such registration. Voting rights registration that have been requested by the shareholder at such time that the registration has been completed by the nominee no later than Friday, 29 April 2022, will be taken into account in the preparation of the share register.

### **Postal Voting**

The Board of Directors has decided that shareholders should be able to exercise their voting rights only by postal voting in accordance with section 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and associations. A special form must be used for the postal vote. The form for postal voting is available on the

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company's website [proact.eu](http://proact.eu). Completed and signed forms for postal voting can be sent by mail to Computershare AB, "Proact IT Group AB's AGM", Box 5267, 102 46 Stockholm or by e-mail to [proxy@computershare.se](mailto:proxy@computershare.se). Completed forms must be received by Computershare no later than 4 May 2022. Shareholders who are natural persons may also cast their votes electronically through verification with BankID via a link provided on the Company's website [proact.eu](http://proact.eu). Such electronic votes must be submitted no later than 4 May 2022.

The Shareholders may not provide special instructions or conditions to the postal vote. If so, the entire postal vote is invalid. Further instructions or conditions can be found on the postal voting form and at [proact.eu](http://proact.eu).

## **Power of attorney**

If the shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be attached to the postal voting form. Proxy forms are available on the company's website [proact.eu](http://proact.eu). If the shareholder is a legal person, a registration certificate or other authorization document must be attached to the form.

## **Shareholders' right to receive information**

The board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda. A request for such information shall be made in writing to the company no later than ten days prior to the Annual General Meeting, i.e. no later than 25 April 2022, at the address Proact IT Group AB (publ), att: AGM, Box 1205, 164 28 Kista, or by e-mail to [bolagsstamma@proact.eu](mailto:bolagsstamma@proact.eu). The questions and responses will be made available on the company's website [www.proact.eu](http://www.proact.eu), and the company's head office Kistagången 2, Kista, no later than 2 May 2022. The information is also sent to shareholders who request it and state their address.

The total number of shares and votes in the company at the time of this notice amounts to 28,001,658 of which 546,807 are owned by the company.

## **Proposed agenda**

1. Election of chairman of the meeting
2. Preparation and approval of voting list
3. Approval of the agenda
4. Election of at least one person to approve the minutes
5. Examination of whether the meeting has been properly convened
6. Presentation of the annual report and auditor's report as well as the consolidated accounts and the auditor's report for the consolidated accounts
7. Resolution on adoption of the profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet
8. Resolution on allocation of the company's profit or loss according to the adopted balance sheet
9. Resolution to discharge the board members and the managing director from liability
10. Determination of number of board members and deputy board members
11. Determination of fees payable to the board members and to the auditors
12. Election of board members and chairman of the board as well as auditor
13. Resolution on approval of the remuneration report
14. Decision on performance share plan and transfer of repurchased shares

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15. Nomination committee for the Annual General Meeting in 2023
16. Resolution on authorization for the board of directors to decide on new share issue
17. Resolution on authorization for the board of directors to acquire and transfer of treasury shares

## **The nomination committee's proposal for election of chairman at the meeting (item 1), election of board members and auditor, etc. (items 10-12) and nomination committee for the Annual General Meeting in 2022 (item 15)**

The nomination committee proposes Eva Elmstedt to be elected chairman at the meeting.

The nomination committee proposes that the board shall consist of five board members with no deputy board members and proposes to re-elect Martin Gren, Annikki Schaeferdiek, Thomas Thuresson and Erik Malmberg as board members. The nomination committee proposes new election of Anna Söderblom. It is further proposed that Anna Söderblom is elected chairman of the board. Proact's current chairperson Eva Elmstedt has previously informed the nomination committee that she is not available for the 2022 Annual General Meeting.

The nomination committee proposes PwC to be elected as auditors of the company, for the time period up until the end of the Annual General Meeting in 2023.

The nomination committee proposes that fees to the board members shall be SEK 2,055,000 in total, of which the chairman receives SEK 575,000 and the other board members SEK 270,000 each. For committee work, a total fee of SEK 400,000 is proposed to be allocated by the board within the board's three committees. Fees to the auditors is proposed to be paid according to the approved invoices.

The nomination committee proposes that the nomination committee for the Annual General Meeting in 2023 consists of representatives of the four largest shareholders seen to the number of votes per 30 September 2022, according to ownership statistics from Euroclear Sweden AB. If there is a change in the ownership structure of the company after 30 September 2022 but before the date which takes place two months prior to the next Annual General Meeting, and if a shareholder which after this change has become one of the four largest shareholders in the company, seen to the number of votes, notifies the chairman of the nomination committee that it wishes to be part of the nomination committee, this shareholder shall have the right either to appoint one further member of the nomination committee or, if the nomination committee so decides, to appoint a member of the nomination committee who shall replace the member which, after the ownership change, is the smallest shareholder seen to the number of votes and who has been appointed member by the nomination committee. A member appointed by a shareholder which after 30 September 2022 has sold more than half of its shareholding, and which thereby no longer is one of the ten largest shareholders in the company, is obliged to resign from the company's nomination committee within two weeks after the date of the sale. The nomination committee furthermore has the right to adjoin the chairman of the board to the meetings of the nomination committee.

The chairman of the board shall summon the first meeting. The nomination committee shall prepare and make proposals to the Annual General Meeting of election of chairman of the meeting, election of chairman of the board and other board members, the fee to be allocated between the chairman and the other board members, compensation, if any, for work with the

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committee and election of auditor and fees to the auditors as well as decision on principles for the appointment of a nomination committee. If any member leaves the nomination committee before his/her work is completed, the shareholder who appointed the member shall at first hand be offered the opportunity to appoint a new member or, if this is not made, the next of the larger shareholders shall be given the opportunity to appoint a member.

## **Preparation and approval of voting list (item 2)**

The voting list proposed for approval is the voting list drawn up by the Chairman at the Annual General Meeting on behalf of the company, based on the general meeting's share register and advance votes received, as verified and recommended by the person approving the minutes.

## **Approval of the agenda (item 3)**

The Board of Directors proposes that the agenda, which is included in this notice to the Annual General Meeting, be approved as the agenda at the Annual General Meeting.

## **Election of at least one person to approve the minutes (item 4)**

It is proposed that one person is appointed to approve the minutes. Stephanie Göthman, representing Skandia Liv and Skandia Fonder, or the person appointed by the Board of Directors if she has an impediment to attend, is proposed to be elected to approve the minutes of the Annual General Meeting together with the Chairman. The task of approving the minutes of the Annual general Meeting also includes verifying the voting list and that the advanced votes received are correct stated in the minutes of the Annual General Meeting.

## **Examination of whether the meeting has been properly convened (item 5)**

It is proposed that the general meeting approve the convening of the Annual General Meeting.

## **Resolution on adoption of the profit and loss account and the balance sheet as well as the consolidated profit and loss account and the consolidated balance sheet (item 7)**

It is proposed that the Annual General Meeting approve the income statement and balance sheet included in the provided annual report, as well as the consolidated income statement and consolidated balance sheet.

## **The board of directors' proposed allocation of the company's profit or loss (item 8)**

The board proposes a dividend of SEK 1.50 per share.

The record date for dividends is proposed to be 9 May 2022. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be sent out through Euroclear Sweden AB on 12 May 2022.

## **Resolution on approval of the remuneration report (item 13)**

The Board proposes that the Annual General Meeting resolves to approve the Board's remuneration report in accordance with Chapter 8, Section 53 a of the Swedish Companies Act.

## **Resolution on a performance share plan and transfer of own shares (item 14)**

The board proposes that the Annual General Meeting resolves on a performance share plan ("Performance Share Plan 2022") for Proact IT Group AB (publ), reg. no. 556494-3446, ("Proact") and on transfer of own shares according to items A and B below.

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## (A) PERFORMANCE SHARE PLAN 2022

### 1.1 Performance Share Plan 2022 in brief

Performance Share Plan 2022 follows the same structure as the performance share plan resolved at the Annual General Meeting 2021. Performance Share Plan 2022 is designed to drive profitability and growth, and comprises approximately 19 persons consisting of the CEO (the President), the Group Management and additional key employees of the company. To participate in the plan, a personal investment in Proact shares is required. After the vesting period, the participants will be allocated shares in Proact free of charge, provided that certain conditions are met. In order to be entitled to allotment of shares, the participant must have had continued employment in the Proact group during the vesting period and the personal investment in Proact shares must have been continuously maintained in full during the same period of time. In addition, allocation of shares in Proact requires that performance targets related to earnings per share, net sales and return on capital employed have been achieved.

Through a share-based incentive plan, the employees' rewards can be linked to the company's future earnings and value growth. The long-term value growth is thereby rewarded, and the shareholders and the concerned employees have the same goals.

### 1.2 Participants in Performance Share Plan 2022

Performance Share Plan 2022 comprises approximately 19 persons, divided into three categories based on their position in the company. The first category includes the CEO of the company, the second category comprises approximately ten employees who are part of the Group Management and the third category comprises approximately eight additional key employees in the Proact group. Additional persons who have been recruited but not yet commenced their employment in the Proact group when the application for participation in the plan is to take place at the latest, may be offered participation conditional upon the employment commencing (whereby the number of persons in the different categories may be adjusted).

### 1.3 The personal investment and allocation of share rights

To participate in the plan the participant is required to acquire shares in Proact ("Investment Shares") to a number of minimum 300 (however not more than 1 020, 1 350 or 2 700 shares, depending on the category to which the participant belongs). If the participant has inside information and is therefore unable to acquire Proact shares in connection with the application to participate in the plan, the acquisition of Investment Shares shall take place as soon as possible thereafter, but no later than 31 December 2022. Each Investment Share entitles to five (5) share rights. Allocation of shares in Proact shall normally occur after the expiration of the vesting period, which runs from the time that an agreement to participate in Performance Share Plan 2022 was made up to and including the date of announcement of Proact's interim report for the first quarter of 2025 (the "Vesting Period").

### 1.4 Terms and conditions for share rights

The following terms and conditions apply for the share rights:

- Share rights are allocated free of charge.

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- The participants are not entitled to transfer, pledge or divest the share rights or exercise any shareholders' rights regarding the share rights.
- The allocation of Proact shares in accordance with the share rights requires, with certain limited exemptions, that the participant remains employed within the Proact group and that none of the Investment Shares acquired initially have been divested during the Vesting Period. In addition, allocation of Proact shares requires that Proact has achieved performance targets in accordance with below.
- Proact will compensate the participants if Proact pays dividends exceeding the high end of the range according to Proact's dividend policy.
- The maximum value (including any compensation that the participants receive for dividends paid) that a participant can receive per share right is limited to an amount of SEK 140. If the value of the Proact share, at the time of allocation of shares, exceeds the maximum value, the number of shares to be allocated shall be reduced accordingly.

## 1.5 Performance targets

The allocation of Proact shares depends on the extent to which three performance targets are achieved, which refer to Proact's earnings per share, return on capital employed and net sales in year 2024. The performance targets shall be measured independently and given equal weight. The board has set a minimum level and a maximum level for each performance target. In order for all share rights to entitle to shares in Proact, the maximum level for all performance targets must be achieved. If the minimum levels for the performance targets are not achieved, the share rights will not give entitlement to any allocation of Proact shares. In cases where the degree of achievement of the performance targets is between the minimum and maximum levels, the outcome will be determined linearly within the intervals. Proact intends to present the minimum and maximum levels for the performance targets and to what extent these have been achieved in connection with the expiry of the plan. The outcome of the plan will be included in Proact's remuneration report for 2025 in relation to the participants who are senior executives in Proact.

## 1.6 Formulation and administration

The board, or a specific committee appointed by the board, shall be responsible for the formulation and administration of Performance Share Plan 2022 within the scope of the terms and directions set out herein. If the delivery of shares to persons outside of Sweden cannot be achieved at reasonable costs and with reasonable administrative efforts, the board may decide that participants outside of Sweden may instead be offered cash-based settlement. The board shall also be entitled to divest shares on behalf of participants in connection with allocation, to cover the participant's tax duty. If significant changes occur in Proact or in the conditions in which it operates, which would have the effect that the resolved terms and conditions for allocation and the possibility to use the share rights no longer are appropriate, the board shall be entitled to make other adjustments. Before the number of shares that are to be allocated based on the share rights is finally determined, the board shall assess if the outcome of Performance Share Plan 2022 is reasonable. This assessment is made in relation to Proact's financial result and position, the stock market and other conditions in general. If the board in its assessment considers that the outcome is not reasonable, the board may reduce the number of Proact shares to be allocated.

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## 1.7 Scope

The maximum number of Proact shares that can be allocated under Performance Share Plan 2022, shall be limited to 122,000, which represents approximately 0.44 per cent of the outstanding shares and votes. The number of shares included in Performance Share Plan 2022 shall, under conditions that the board stipulates, be subject to recalculation where Proact implements a bonus issue, a share split or a reverse share split, a rights issue or similar corporate actions, with regard to customary practice for similar incentive plans.

## 1.8 Hedging

In order to secure the delivery of Proact shares under Performance Share Plan 2022, the board proposes that the board be entitled to decide on alternative methods for transfer of Proact shares under the plan. The board therefore proposes that it be entitled to transfer Proact's own shares to the participants (in accordance with item B below) or to enter into so-called equity swap agreements with third parties in order to fulfil its obligations under the plan. The board regards the first alternative, i.e. the transfer of own Proact shares to the participants, to be the most cost efficient and flexible arrangement for the delivery of Proact shares.

## 1.9 Estimated costs and the value of Performance Share Plan 2022

The share rights cannot be pledged or transferred to others. However, an estimated value for each share right can be calculated. The board has estimated that the average value of each share right is SEK 53. The estimation is based on well-established valuation models using the closing price for the Proact share on 24 March 2022. Based on the assumptions *inter alia* that all persons who have been offered participation in the plan participate, that the participants make maximum investments, a 50 per cent achievement of both performance targets, a 10 per cent staff turnover among the participants in the plan, an annual increase in the share price of 10 per cent and estimated social security costs of 25 per cent, the total estimated annual costs amount to approximately MSEK 1.1, of which MSEK 0.3 are social security costs.

The costs are treated as staff costs in the profit and loss accounts during the Vesting Period, in accordance with IFRS 2 on share-based payments. In the profit and loss accounts, social security costs will accrue in accordance with UFR 7 over the Vesting Period. The size of these costs will be calculated on the Proact share price development during the Vesting Period and allocation of the share rights.

## 1.10 Key ratios

The estimated annual cost of MSEK 1.1 according to the above, corresponds on a pro forma basis for 2021 to a negative effect of approximately 0.03 percentage points on Proact's operating margin and a decrease in the earnings per share of approximately SEK 0.03. However, the board considers that the positive earning effects that are expected to arise from an increased focus on profitability and sales growth together with an increased shareholding in Proact among the CEO, the Group Management and additional key persons in the company, outweighs the costs related to the plan.

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## **1.11 The preparation of the proposal**

Performance Share Plan 2022 has been initiated by the board and prepared together with external advisors. The plan has been prepared by the remuneration committee and processed at board meetings during the first months of 2022.

## **1.12 Other incentive plans in Proact**

Proact has three outstanding performance share plans which were resolved at the Annual General Meeting 2019, the Annual General Meeting 2020 and the Annual General Meeting 2021. Other than those, there are currently no outstanding share based incentive plans in Proact.

## **1.13 The proposal by the board**

Referring to the description above, the board proposes that the Annual General Meeting resolves to introduce Performance Share Plan 2022.

## **1.14 Majority requirement**

A resolution to introduce Performance Share Plan 2022 is valid where supported by shareholders holding more than half of the votes cast at the Annual General Meeting.

## **(B) Transfer of shares to participants in Performance Share Plan 2022**

### **2.1 Background**

In order to implement Performance Share Plan 2022 in a cost-efficient and flexible manner, the board has considered different methods for ensuring the delivery of Proact shares to participants upon allocation under Performance Share Plan 2022.

Based on these considerations, the board intends to ensure delivery by transferring shares held by Proact to the participants. A transfer of Proact's own shares in this way requires a particularly high majority to be met at the Annual General Meeting. In the event that the board's proposal regarding the transfer of own shares to the participants does not receive the required majority, the board intends to enter into an equity swap agreement with a third party to secure that delivery of Proact shares can be made to the participants.

### **2.2 The board's proposal to resolve on transfer of own shares to the participants**

The board therefore proposes that the Annual General Meeting resolves on the transfer of own shares in accordance with the terms set out below:

- (i) Transfer can be made of no more than 122,000 Proact shares to participants in Performance Share Plan 2022 (or a higher number that may result from a recalculation due to Proact implementing a bonus issue, a share split or a reverse share split, a new share issue or similar measures).
- (ii) The transfer of shares shall be made without payment at the time and in accordance with the terms and conditions that the participants in Performance Share Plan 2022 are entitled to receive allocation of shares.

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The reason for the deviation from the shareholders' preferential rights is that the transfer of the shares is part of executing Performance Share Plan 2022. Therefore, the board considers it to be to the benefit of Proact to transfer shares in accordance with the proposal.

## **2.3 Majority requirement**

The board's proposal to resolve on transfer of own shares to the participants above is valid if supported by shareholders holding no less than nine-tenths of both the votes cast and the shares represented at the Annual General Meeting. The board's proposal pursuant to this item B is conditional upon that the board's proposal on Performance Share Plan 2022 is approved by the Annual General Meeting (item A above).

### **Resolution on authorization for the board to decide on new share issue (item 16)**

The board proposes that the Annual General Meeting authorizes the board to, without deviating from the shareholders' preferential right, at one or more occasions, until the date of the next annual general meeting decide on new share issues of a total of no more than 2,800,000 shares. This equals a dilutive effect of app. 10 per cent of equity and votes at full use of the authorisation. It is noted that issues in accordance with the authorisation however will be limited so that issued shares together with any repurchased shares according to the authorisation proposed under item 17 amounts to a total of not more than 10 per cent of the at each time outstanding number of shares.

Resolution on a new share issue may also include a provision regarding that new shares may be paid through set-off or by non-cash consideration with or without deviating from the shareholders' preferential right. Payment through set-off may however only be made in connection with acquisition of companies.

The board, or the person appointed by the board, is proposed to be authorized to make the minor adjustments to the decision that may prove necessary in connection with the registration of the decision by Bolagsverket.

### **Resolution on authorization for the board to decide upon acquisition and transfer of the company's treasury shares (item 17)**

The board proposes that the Annual General Meeting authorizes the board to decide on acquisition and transfer of treasury shares in accordance with the following. Acquisition of shares in the company may only be made either on Nasdaq Stockholm (the Marketplace) or in accordance with an offer to all shareholders of the company. Acquisition may only be made of a maximum amount of shares so that the number of treasury shares together with any newly issued shares in accordance with the authorisation proposed under item 16, amounts to a total of not more than 10 per cent of the at each time outstanding number of shares and furthermore provided that, after repurchase, there is still full coverage of the company's restricted equity.

Transfer of shares in the company may be carried out with a right to transfer deviating from the shareholders' preferential rights and it should be possible to make a payment by means of non-cash consideration, i.e. through contribution in kind or set-off. Payment through set-off may however only be made in connection with acquisition of a company. Transfer may be made of the entire number of shares which the company at each time holds. Transfer may not be made on the Market Place.

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## Documentation and further information

Accounting documents and audit report, the board's remuneration report, the nomination committee's proposals and reasoned opinion and other necessary documentation will be kept available at the company at the address Kistagången 2, Kista as from 14 April 2022. Copies of this documentation will also be sent at no cost for the recipient to the shareholders whom so wishes and whom state their postal address. The documentation is also available on the company's website [www.proact.se](http://www.proact.se).

## Processing of personal data

For information on how personal data is processed in connection with the Annual General Meeting, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

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Stockholm, March 2022  
Proact IT Group AB (publ)  
The Board of Directors

For further information, please contact:

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## About Proact

Proact is Europe's leading specialist in data and information management with focus on cloud services and data centre solutions. We help our customers to store, connect, protect, secure and drive value through their data whilst increasing agility, productivity and efficiency.

We've completed thousands of successful projects around the world, have more than 4,000 customers and currently manage hundreds of petabytes of information in the cloud. We employ over 1,000 people in 15 countries across Europe and North America. Founded in 1994, our parent company, Proact IT Group AB (publ), was listed on Nasdaq Stockholm in 1999 (under the symbol PACT). For further information about Proact's activities please visit us at [www.proact.eu](http://www.proact.eu)