

Press release, 15 April 2019

Notice of Annual General Meeting of Bygghemma

The shareholders of Bygghemma Group First AB (publ) are summoned to the annual general meeting, to be held on Wednesday 15 May 2019, at 3.00 pm at Malmö Börshus, Skeppsbron 2, Malmö.

Participation, etc.

Shareholders who wish to participate in the meeting must be recorded in the share register maintained by Euroclear Sweden AB on Thursday 9 May 2019, and notify their intention to participate in the meeting no later than on Thursday 9 May 2019 by mail to Bygghemma Group First AB, Hans Michelsensgatan 9, SE-211 20 Malmö, Sweden (Attn: Annual General Meeting), by telephone +46 (0)72-402 02 17 or by e-mail to investment@bygghemmagroup.se.

The notification shall set forth the name, personal/corporate identity number, address and telephone number, the number of shares held, and, where applicable, number of assistants (not more than two) that the shareholder intends to bring to the meeting. Shareholders represented by proxy shall issue a power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or corresponding document, evidencing the authority to issue the proxy, shall be appended. The original power of attorney and, where applicable, the certificate or corresponding document, should be submitted to the company at the address indicated above well in advance of the meeting. A proxy form is available at www.bygghemmagroup.com and may also be ordered from the company at the address indicated above.

Shareholders whose shares are registered in the name of a nominee through a bank or other custodian must re-register their shares in their own names to be entitled to participate in the meeting. Such registration, which may be temporary, must be duly effected on Thursday 9 May 2019. Shareholders must therefore inform their nominee of their request well in advance of this date.

There are a total of 107,368,421 shares in the company, corresponding to an equal amount of outstanding votes. The company holds no treasury shares.

Proposed agenda

1. Opening of the meeting.
2. Election of chairman of the meeting.
3. Preparation and approval of the voting list.
4. Election of one or two persons to approve the minutes of the meeting.
5. Determination of whether the meeting has been duly convened.
6. Approval of the agenda.
7. Presentation of the annual report and the auditor's report as well as the consolidated annual accounts and the auditor's report for the group.
8. Resolutions regarding
 - a) the adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet,
 - b) allocation of the company's results in accordance with the adopted balance sheet, and
 - c) discharge of the members of the board of directors and the managing director from liability.
9. Determination of the number of members of the board of directors and auditors.

10. Determination of remuneration for members of the board of directors and auditor.
11. Election of members of the board of directors, chairman of the board of directors and auditor.
12. Resolution regarding the nomination committee.
13. The board of directors' proposal regarding guidelines for remuneration to senior executives.
14. The board of directors' proposal regarding implementation of a new long-term incentive program.
15. The board of director's proposal regarding authorization for the board of directors to repurchase and transfer own shares.
16. Closing of the meeting.

Allocation of the company's results (item 8b)

The board of directors proposes that no dividend shall be paid, and that the company's result shall be carried forward.

The nomination committee's proposals (items 2 and 9-12)

The nomination committee, composed of Marcus Egelstig (FSN Capital, chairman), Kristian Ford (Mikael Olander), Jonas Rennmark (ATP) and Henrik Theilbjørn (chairman of the board of directors), proposes the following:

- Attorney-at-law Erik Sjöman shall be appointed chairman of the annual general meeting.
- The board of directors shall consist of seven members with no deputies.
- The remuneration to the board of directors shall amount to SEK 1,750,000 in total, in accordance with the following. SEK 400,000 shall be distributed to the chairman of the board and SEK 200,000 to each of the other board members not employed by the company. In addition, SEK 100,000 shall be distributed to the chairman of the audit committee and SEK 50,000 to the chairman of the remuneration committee.
- Re-election of members of the board of directors Henrik Theilbjørn, Peter Möller, Ingrid Jonasson Blank and Bert Larsson and election of Johan Giléus, Cristophe Le Houédec and Tom Tang as new members of the board of directors. Lars Nilsson and Florian Seubert have declined re-election.
- Re-election of Henrik Theilbjørn as chairman of the board.
- The company shall have one auditor with no deputies.
- Remuneration to the auditor shall be paid in accordance with approved invoices within the auditor's quotation.
- Re-election of the audit company Öhrlings PricewaterhouseCoopers AB. The proposal is in accordance with the audit committee's recommendation.

Johan Giléus, born 1965, resident in Sweden and a Swedish citizen, has studied Business Administration at Stockholm University. Throughout most of his career Johan Giléus has worked within finance and accounting and is currently working as an independent financial advisor. Previously, Johan Giléus spent some 25 years with Deloitte where he, among other things, was a partner and headed up the Transaction Services (M&A) function with some 30 professionals and served on the board of Deloitte Sweden. Johan Giléus has extensive experience of accounting and financial reporting in publicly traded companies and other issues regarding the stock market, risk management and strategic transactions. He has also extensive experience from working with stock exchange audits. Currently, Johan Giléus holds a non-executive director position and head of audit committee in Haldex AB. He serves also as part-time CFO at InDex Pharmaceuticals Holding AB, listed on Nasdaq First North Stockholm.

Christophe Le Houédec, born 1972, resident in France and a French citizen, holds an engineer degree from Ecole des Mines de Paris. Throughout most of his career Christophe Le Houédec has worked

within manufacturing, supply chain and logistics and has had various senior positions, such as Engineer, Groupe Renault (1995-1997), Supply Chain Manager, Groupe Danone (1997-2005), Senior Consultant within Operations Strategy and within Manufacturing Efficiency, The Boston Consulting Group (2005-2007), Logistics Director Nordics, Schneider Electric (2007-2011), Director Amazon France, primarily within Supply Chain and Logistics Services (2011-2017), and currently as CEO and co-founder of AyoLab, a Paris-based start-up company. Currently, Christophe Le Houédec holds no other non-executive director positions.

Tom Tang, born 1976, resident in Great Britain and an American citizen, holds a Bachelor in Computer Science and an MBA. Throughout most of his career Tom Tang has worked within IT, software engineering and technology and has had various senior positions, such as Manager, IT & Corporate Strategy, Ford Motor Company (2005-2007), Senior Manager, Software Development & Program Management, Amazon (2007-2011), Division Vice President, Software Engineering, Sears Holding (2011-2015), Senior Vice President, Software Development, TraFone Wireless (2015-2016), Director, Software Development & Technology, Sainsbury's Argos (2016-2018) and currently, Chief Information Officer, Sainsbury's Argos. Currently, Tom Tang holds no other non-executive director positions.

Further information on the proposed members of the board of directors is available at www.bygghemmagroup.com.

The nomination committee finally proposes that the annual general meeting resolves upon a nomination committee for the annual general meeting 2020, as follows.

The chairman of the board shall, based on the ownership of the company as of 30 September 2019, convene a nomination committee comprising the chairman of the board and one member appointed by each of the three largest shareholders (a "shareholder" is below referred to as an individual shareholder or a group of shareholders) in the company. In the event any of the three largest shareholders refrains from their right to appoint a member of the nomination committee, the chairman of the board shall pass the right to appoint a member to the shareholder with the next largest shareholding in order.

The member of the nomination committee that represents the largest shareholder in respect of voting power shall be chairman of the nomination committee, provided that the members of the committee do not agree on another chairman. The chairman of the nomination committee shall not be a member of the board of directors in the company. A shareholder that has appointed a member of the nomination committee, is entitled to discharge that member and appoint a new member at any time. If a member resigns from the nomination committee prior to the completion of its work, the shareholder that appointed the member to the nomination committee is entitled to appoint a new member to the nomination committee. In the event a fundamental change of the ownership structure in the company occurs less than two months prior to the annual general meeting and where a shareholder, after such fundamental change in ownership, has become one of the three largest shareholders of the company, makes a request to the chairman of the nomination committee regarding the appointment of a member thereof, the nomination committee shall offer the shareholder the opportunity to appoint a member thereof. This member shall replace the member appointed by the shareholder that after the change of ownership no longer is one of the three largest shareholders in respect of voting power.

The members of the nomination committee shall not receive remuneration. However, the nomination committee is entitled to charge the company with reasonable costs for hiring recruitment consultants and other consultants that are necessary for the nomination committee to complete its tasks. In addition, the company shall, at the request of the nomination committee, provide reasonable human resources, such as a secretarial function, to facilitate the work of the nomination committee.

The nomination committee shall pursue the tasks that are the responsibility of the nomination committee pursuant to the Swedish Corporate Governance Code,.

Guidelines for remuneration to senior executives (item 13)

The board of directors proposes remuneration guidelines for senior executives that mainly correspond to the guidelines that have been applied to date.

The total remuneration shall be based on market terms and be competitive and balanced. Furthermore, the remuneration shall contribute to sound ethics and company values and shall align with the interests of the shareholders. The remuneration to the senior executives shall comprise fixed salary, variable salary, other benefits and pension.

The fixed salaries of senior executives shall be competitive and shall relate to the individual competence, responsibility and performance of each senior executive. The variable remuneration shall be based on results achieved by the senior executive in relation to pre-determined and measurable goals designated to promote the long term value creation within Bygghemma Group.

Senior executives shall also be entitled to pension benefits based on what is customary in the country of employment.

The board of director's proposal regarding implementation of a new long-term incentive program (item 14)

The board of directors proposes that the annual general meeting resolves to implement a new long-term incentive program for certain senior executives, key individuals and employees within the group, through the issue of warrants (LTIP 2019/2022) as follows.

Issue of warrants

The board of directors proposes that the annual general meeting resolves to issue not more than 1,610,526 warrants, whereupon the company's share capital may be increased by not more than SEK 48,315.78.

The right to subscribe for the warrants shall, with deviation from the shareholders' pre-emptive rights, only be vested in the categories of employees in the group as set forth below. The board of directors shall resolve upon the final allotment of warrants as soon as possible following the annual general meeting.

Senior executives (4 persons) shall be entitled to subscribe for not more than 92,030 warrants each, in total not more than 368,120 warrants and local executives (14 persons) shall be entitled to subscribe for not more than 92,030 warrants each, in total not more than 1,288,420 warrants. Provided that not all warrants are subscribed for in accordance with the aforesaid, certain key individuals (23 persons) shall be entitled to subscribe for not more than 46,015 warrants each, in total not more than 1,058,345 warrants. Finally, and provided that all warrants have not been subscribed for in accordance with the aforesaid, other employees (2 persons) are entitled to subscribe for not more than 23,008 warrants each, in total not more than 46,016 warrants.

Each warrant entitles to subscription for one new share in the company at a subscription price corresponding to 130 percent of the volume-weighted average share price pursuant to the official share price list of Nasdaq Stockholm during the five-day period preceding the allotment of warrants to each person participating in the program. Subscription for new shares by virtue of the warrants shall be made during the period 1 June 2022 up to and including 31 August 2022.

Subscription for warrants shall be made on a subscription list no later than 31 May 2019. Payment for subscribed warrants shall be made in cash no later than 14 June 2019. The price per warrant subscribed for amounts to the warrant's market value at the time of the subscription, calculated pursuant to the Black & Scholes warrant valuation model.

Preparation of and motives for the proposal

The principles of the LTIP 2019/2022 have been prepared by the board of directors of the company in consultation with external advisors and is based on the warrant program adopted by the company in March 2018. The motives for the proposal and the reason for the deviation from the shareholders' pre-emptive rights are to implement LTIP 2019/2022 in order to create conditions to maintain and increase the motivation of the senior executives, employees and other key individuals within the company and the group. The board of directors deems that it is in all shareholders' interest that senior executives, employees and other key individuals have a long-term interest of a beneficial development of the value of the company's shares.

Dilution

Upon full exercise of the warrants at the terms and conditions applicable at the time of the resolution, the number of shares and votes in the company may be increased with 1,610,526, which corresponds to approximately 1.5 percent of the number of shares and votes. The dilutive effect is calculated as the number of additional shares upon full exercise of all warrants, in relation to the total number of shares upon full exercise. In the event the long-term incentive program that was adopted in March 2018 is included in the calculation, the corresponding maximum dilutive effect amounts to approximately 4 percent of the number of shares and votes.

Costs, etc.

Apart from the costs for the own work performed and for external advisors in connection with the implementation, LTIP 2019/2022 does not entail any other costs for the company. As a result, there is no need to take measures for securing (hedging) the program.

The board of director's proposal regarding authorization for the board of directors to repurchase and transfer own shares (item 15)

The board of directors proposes that the meeting resolves to authorize the board of directors, on one or several occasions, up and until the next annual general meeting, to resolve on the repurchase and transfer of own shares.

The total number of shares that may be re-purchased may not entail a treasury shareholding at any time exceeding 10 percent of the total number of shares in the company. Such re-purchases may only be made on Nasdaq Stockholm at a price within the applicable price range at any time.

Transfers of own shares may be made on Nasdaq Stockholm at a price within the applicable price range at the applicable time. Transfers may also be made in other ways, with or without deviation from the shareholders' pre-emptive rights, against cash payment or by set-off or with non-cash consideration, or otherwise upon conditions. Transfers may be made of not more than the number of own shares held by the company at the time of the board of director's resolution on a transfer.

The reason for the authorizations is to provide the board of directors with increased flexibility in the work with the company's capital structure and to enable the company to finance acquisitions with own shares.

In order for a resolution in accordance with item 14 above to be valid, the resolution must be supported by shareholders representing at least nine-tenths of the votes cast and the shares represented at the meeting. In order for a resolution in accordance with item 15 above to be valid, the resolution must be supported by shareholders representing at least two-thirds of the votes cast and the shares represented at the meeting.

The shareholders are reminded of their right to request information in accordance with Chapter 7 Section 32 of the Swedish Companies Act. The annual report and complete supporting documentation will be available at the company's offices at Hans Michelsensgatan 9, in Malmö, Sweden, and at the company's website www.bygghemmagroup.com no later than three weeks prior to the meeting and will be sent to shareholders who so request.

Processing of personal data

For information about the processing of your personal data, please refer to Euroclear's website www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammorsvenska.pdf. Bygghemma Group First AB's (publ) corporate registration number is 559077-0763 and its registered office is in Malmö, Sweden.

Malmö in April 2019

Bygghemma Group First AB (publ)
The board of directors

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This information was submitted for publication, through the agency of the contact persons set out above, at 08:00 a.m. CEST on 15 April 2019.

About Bygghemma Group

Bygghemma Group is the leading online supplier of home improvement products in the Nordic region. We offer our customers a broad product range at attractive prices, with convenient home delivery. We conduct operations in two segments: DIY and Home Furnishing. DIY comprises sales of products from well-known brands for homes and gardens, and Home Furnishing comprises sales of furniture and home decor, mainly under proprietary brands. Bygghemma Group includes a wide range of webstores, such as Bygghemma, Trademax, Chilli and Furniturebox. Bygghemma Group had sales of approximately SEK 5 billion in 2018, has its head office in Malmö and is listed on Nasdaq Stockholm Mid Cap.