

Notice to attend the Annual General Meeting of Bactiguard Holding AB

The shareholders of Bactiguard Holding AB (publ), company reg. no. 556822-1187 (“Bactiguard”), are hereby given notice to attend the Annual General Meeting to be held on Tuesday, 28 April 2020 at 2:00 pm at the company’s head office at Alfred Nobels Allé 150 in Tullinge. Registration will commence at 1 pm.

Right to participate and notice of intent to participate

Shareholders wishing to participate in the Annual General Meeting must:

- be registered in the share register maintained by Euroclear Sweden AB (“Euroclear”) on Wednesday, 22 April 2020, and
- provide notice to the company of their intent to participate in the shareholder meeting no later than Wednesday, 22 April 2020. Notice must be given by post to Bactiguard Holding AB (publ), “AGM 2020”, Box 15, 146 21 Tullinge, or by e-mail: stamman@bactiguard.se. Notice to participate may also be given via Bactiguard's website, www.bactiguard.se. The shareholder’s name, personal identification number or company registration number, address and telephone number and any accompanying assistants (maximum of two) must be stated in the notice.

Shareholders who have caused their shares to be registered with a nominee must, in order to participate in the shareholder meeting and exercise their voting rights, temporarily register the shares in their own name. Such registration must be effected by Euroclear no later than Wednesday 22 April 2020. This means that the shareholder must notify the nominee of this in ample time prior to that date.

If participation takes place through a proxy or a representative of a legal entity, the original proxy, registration certificates and other authorization documentation should be sent to the company in due time at the above-stated address. A proxy form may be downloaded from the company's website at www.bactiguard.se. Shareholders may not vote or otherwise participate in the Annual General Meeting unless physically present at the meeting.

Due to the outbreak of the corona virus, the AGM will be held in the simplest possible form. Neither food nor drinks will be served, and shareholders are asked to pay attention to minimize the risk of transmission of infection. Shareholders with symptoms of illness are asked not to attend in person, there is an opportunity to attend and exercise their right through a representative. Information about the AGM in connection with the corona virus may be updated, please visit www.bactiguard.se for updated information.

Proposed agenda

1. Opening of the meeting
2. Election of a chairman for the meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or more persons to certify the minutes
6. Determination of whether the meeting was duly convened
7. Presentation of the annual report and auditor's report and the consolidated annual report and auditor's report for the group
8. Presentation by the CEO
9. Resolutions regarding
 - a) adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet
 - b) allocation of the company's profit or loss according to the adopted balance sheet
 - c) discharge from liability for the members of the board of directors and the CEO
10. Determination of the fees to be paid to the directors of the board and the company's auditor
11. Resolution regarding the number of directors of the board and election of the directors of the board and auditors
12. Resolution regarding guidelines for remuneration to senior management
13. Resolution on a new issue of shares by way of set-off
14. Resolution to authorize the Board of Directors to resolve to issue new shares, warrants or convertible loans
15. Resolution regarding instructions for the Nomination Committee
16. Closing of the meeting

Proposals for resolutions

Item 2 – election of a chairman for the Annual General Meeting

The Nomination Committee proposes that *Advokat* Magnus Lindstedt be elected as chairman of the Annual General Meeting.

Item 9b – Resolution regarding allocation of the company's loss according to the adopted balance sheet

The Board of Directors proposes that no dividend be paid and that the profit for the year be carried forward.

Item 10 – Determination of the fees to be paid to the directors of the board and the company's auditor

The Nomination Committee proposes that remuneration to board members elected by the Annual General Meeting, be paid in the following amounts: SEK 2,000,000 to the Chairman of the Board and SEK 200,000 to each of the other members, except the company CEO. For work as chairman of the Audit Committee, the Nomination Committee proposes a remuneration of SEK 100,000. For the Chairman of the Remuneration Committee and for other committee members, no special remuneration is proposed.

The Nomination Committee proposes that fees be paid to the company's auditor according to approved invoices.

Item 11 – Election of the Board of Directors and company auditor

The Nomination Committee proposes that the Board shall consist of five members, the same number as the previous year. The Nomination Committee proposes re-election of Christian Kinch, Thomas von Koch, Anna Martling and Jan Ståhlberg as well as new election of Cecilia Edström. The Nomination Committee further proposes that Christian Kinch be elected as Chairman of the Board.

Mia Arnhult has declined re-election.

A report of the Nomination Committee's proposals as well as information regarding all of the proposed directors are available on Bactiguard's website at www.bactiguard.se.

The Nomination Committee further proposes, as recommended by the Audit Committee, the re-election of the registered accounting firm Deloitte AB as the company's auditor for the period until the close of the next annual general meeting. Deloitte AB has provided notice that Therese Kjellberg will be appointed as auditor in charge.



Item 12 – Resolution regarding guidelines for remuneration to the executive management

The Board of Directors proposes that the Annual General Meeting adopts the following guidelines for compensation and other employment terms and conditions for the executive management:

Executive management means the CEO and other members of the executive management of Bactiguard. The guidelines shall apply to remuneration that is agreed upon, and changes made to already agreed remuneration, after the guidelines have been adopted by the 2020 Annual General Meeting. The guidelines do not include remuneration decided by the general meeting, such as board fees and other remuneration to the board.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

In short, the company's business strategy is to develop and supply infection prevention solutions which reduce the risk of healthcare associated infections. Fewer infections reduces the number of infections, shortens hospital stays and the usage of antibiotics. This saves significant resources and costs for the healthcare system and society at large, and contributes to decreased transmission of multi-resistant bacteria.

A prerequisite for the successful implementation of Bactiguard's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can offer competitive remuneration. These guidelines enable the company to offer executive management a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim at promoting Bactiguard's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The total remuneration from Bactiguard to executive management shall be at market terms, reasonable and appropriate, and may consist of the following components: fixed salary, variable salary, pension and other benefits.

Executive management shall be offered a *fixed salary* at market terms, which shall be determined based on the individual's area of responsibility and experience. A review of the fixed salary shall be carried out on an annual basis for each calendar year.

Executive management may, from time to time, be offered *variable salary* at market terms. Such variable salary must be designed with the purpose of promoting Bactiguard's business strategy, long-term interests, including its sustainability, and linked to predetermined and measurable criteria. Such variable salary may not exceed 50 percent of the annual fixed salary.

Executive management shall be entitled to pension benefits at market terms, typically fee-based *pension schemes*. The pension premiums for premium defined pensions may not exceed 30 per cent of the fixed annual salary.



Other benefits for executive management may include company car, wellness contributions, medical insurance, interest compensation linked to financing acquisition of shares in Bactiguard, and other conventional benefits. Other benefits shall not constitute a substantial part of total remuneration. Premiums and other costs arising from such benefits may amount to a maximum of five per cent of the annual fixed salary.

Employment conditions that are governed by rules other than Swedish, may be appropriately adjusted to comply with mandatory local rules and practice, and the general purpose of these guidelines should be met as far as possible.

Criteria for awarding variable cash remuneration

Any variable remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They may also be individualized, function-based, quantitative or qualitative objectives. The criteria shall be designed to contribute to Bactiguard's business strategy and long-term interests, including its sustainability.

The variable salary shall, to the greatest part, be linked to Bactiguard's revenues, EBITDA and/or cash-flow, and thereby aligned with the company's long-term financial targets. The remaining part of the variable salary may be based on individual and function-based objectives.

To which extent the criteria for awarding variable cash salary have been satisfied shall be evaluated when the measurement period, one or several years, has ended. The Remuneration Committee is accountable for the assessment of variable cash salary to the CEO. The CEO is accountable for the assessment of variable cash salary to the other members of executive management. As regards financial targets, the assessment shall be based on the latest financial information disclosed by the company.

To the extent permitted under applicable laws and agreements, the Board of Directors is entitled to reclaim, fully or in part, any variable salary paid on incorrect grounds.

Termination of employment

The notice period for executive management may not exceed six months, if notice of termination of employment is made by the company. Any severance pay may not exceed the fixed annual salary for one year.

In addition, compensation for non-competition may be paid. Such remuneration shall only compensate for any loss of income resulting from the non-competition obligation and shall be based on the remuneration that the executive had at the time of termination of employment.

Long-term share-related incentive plans

Resolutions regarding long-term, share-related incentive programs shall be adopted by the general meeting. On an annual basis, the Board of Directors will assess whether a long-term incentive program should be proposed to the Annual General Meeting or not, and if so, whether amendments to these guidelines are required for this reason.

The decision-making process to determine, review and implement the guidelines

The tasks of the Remuneration Committee include preparing the Board of Directors' proposed guidelines for remuneration to executive management and, where applicable, the Board of Directors' decision to deviate from the guidelines.

In preparing these remuneration guidelines, the employees' total compensation have been taken into account. The components of the total compensation, the increase and development of the compensation over time has formed part of the decision criteria for the Remuneration Committee and the Board of Directors when evaluating the fairness of the guidelines and the limitations that follow.

The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall remain in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall - where applicable – also follow and evaluate programs for variable remuneration to executive management, the application of the guidelines for remuneration to executive management as well as current remuneration structures and levels of remuneration in the company.

These guidelines apply to agreements concluded after the Annual General Meeting, and in the event that changes are made to existing agreements after this date. The Board of Directors shall be entitled to, temporarily, resolve to deviate from the guidelines, in whole or in part, if in a specific case, there is special cause for the deviation and it is necessary to serve Bactiguard's long-term interests, including its sustainability, or to ensure the company's financial viability.

Item 13 – Resolution on a new issue of shares by way of set-off

Due to Bactiguard's acquisition of Vigilenz Medical Devices Sdn. Bhd. and Vigilenz Medical Supplies Sdn. Bhd., the Board of Directors proposes that the Annual General Meeting resolves on a directed share issue of 241 512 new B-shares with payment through set-off, by which the share capital is increased by 6 037.80 SEK.

The other the terms and conditions for the resolution are:

The right to subscribe for the new shares shall, with deviation from the pre-emption rights of the shareholders, belong to Mr. Shudipta Choudhury (founder and principal owner of Vigilenz Medical Devices Sdn. Bhd. and Vigilenz Medical Supplies Sdn. Bhd. prior to Bactiguard's acquisition).

The reason for the deviation from the shareholders' pre-emption rights is that payment for the shares shall be made by way of set-off against Mr. Shudipta Choudhury's claim of 19,320,960 SEK on Bactiguard Holding AB, as regards part of the purchase price for the sale of Vigilenz Medical Devices Sdn. Bhd. and Vigilenz Medical Supplies Sdn. Bhd. to Bactiguard Holding AB.



For each new share subscribed for, 80 SEK shall be paid, resulting in a total amount of 19,320,960 SEK. The basis for the subscription price is the market value of the share. Payment shall be made by set-off of a claim.

Subscription shall be within three weeks from the date of the resolution to issue the shares. Payment by way of set-off shall be made within the same time period by the signing of a subscription list. The board of directors shall be entitled to extend the subscription period and the period for payment.

The new B-shares will be entitled to dividends for the first time on the first record date for dividend that takes place after the issue of new B-shares has been registered with the Swedish Companies Registration Office and recorded in the share register kept by Euroclear Sweden AB.

The CEO, or any other person appointed by the board of directors, shall have the right to take those smaller measures that may be required in order to register the resolution with the Swedish Companies Registration Office.

Item 14 – Resolution to authorize the Board of Directors to resolve to issue new shares, warrants or convertible loans

The Board of Director propose that the Annual General Meeting resolves to authorize the Board of Director to, within the limits of the articles of association, until the next Annual General Meeting, on one or more occasions, resolve to issue shares, warrants and/or convertible loans. The total increase in share capital resolved based on authorization shall correspond to not more than a total amount of SEK 40 000 (divided on not more than 1 600 000 new shares). The authorization shall include the right to resolve on non-cash issues and issues by way of set-off or otherwise with conditions according to The Companies' Act Chapter 13 § 7, Chapter 14 § 9 or Chapter 15 § 9.

The reason for the deviation from the shareholders' pre-emptive rights shall be to enable directed new issues for acquisition of companies or parts of companies or businesses or, alternatively, for raising capital to be used for such acquisitions. The basis for the issue price shall be the market value of the share.

Item 15 - Resolution on instruction for the Nomination Committee

The Nomination Committee proposes the following instructions for the Nomination Committee.

The Nomination Committee shall consist of five members. The Chairman of the Board of Directors shall contact the four largest shareholders of the Company, in terms of voting power, pursuant to Euroclear Sweden AB's print out of the share register on 31 August. Each of these four largest shareholders shall be afforded the opportunity, within a reasonable time, to appoint one member of the Nomination Committee. In the event of any of them fail to exercise the right to appoint a member, such right to appoint a member shall pass to the next largest shareholder in terms of voting power who has not already appointed a member to the Nomination Committee. The Chairman of the Board of Directors shall be an adjunct member



without voting rights. The chairman of the Nomination Committee shall be the member who represents the largest shareholder in terms of voting power, unless otherwise agreed by the members.

The names of the members of the Nomination Committee shall be published as soon as the Nomination Committee has been appointed, however no later than six months prior to the next annual general meeting. The Nomination Committee is appointed for a term commencing at the time its composition is published until a new Nomination Committee has been appointed.

In the event of any change in the ownership structure of the Company after 31 August but before 12 weeks prior to the next annual general meeting, and provided a shareholder after this change becomes one of the four largest shareholders of the Company in terms of voting power and, submits a request to the chairman of the Nomination Committee to be included in the Nomination Committee, such shareholder shall be entitled, in the discretion of the Nomination Committee, either to appoint an additional member to the Nomination Committee or replace the member appointed by the shareholder with less voting power after the change in ownership.

In the event a member appointed by a shareholder resigns from the Nomination Committee during his/her term of office, or where such a member is prevented from performing his/her duties, the Nomination Committee shall encourage the shareholder who appointed the member to appoint a new member within reasonable time. In the event the shareholder fails to exercise his/her right to appoint a new member, the right to appoint such member shall pass to the next largest shareholder in terms of voting power who has not already appointed a member to the Nomination Committee or waived his/her right to appoint a member to the Nomination Committee. Changes in the composition of the Nomination Committee shall be published immediately.

The Nomination Committee shall perform its duties in accordance with these instructions and applicable rules. The duties include, among other things, submitting proposals for:

- chairman of the annual general meeting;
- chairman and other members of the Board of Directors;
- fees payable to the Board of Directors, with a breakdown between the Chairman and other members of the Board of Directors, and any compensation for committee work;
- where applicable, election of auditors;
- fees payable to the auditors; and
- any changes in these instructions to the Nomination Committee to the extent deemed necessary.

No fees shall be payable to the members of the Nomination Committee. However, the Company shall bear any reasonable costs associated with the work performed by the Nomination Committee.

These instructions regarding the composition of the Nomination Committee and its work shall apply until otherwise resolved by a shareholder meeting

OTHER INFORMATION

Majority requirement

In order to adopt valid resolutions of the shareholder meeting under items 13 and 14, the resolutions must be supported by shareholders representing not less than two thirds of the votes cast and the shares represented at the meeting.

Number of shares and votes

At the time of the publication of this notice, there were a total of 33,302,373 shares in Bactiguard and 69,302,373 votes in the company, in the form of 4,000,000 Class A shares each entitling the shareholder to 10 votes and 29,302,373 Class B shares each entitling the shareholder to one vote. The company does not hold any shares in treasury.

Information at the meeting

The Board of Directors and the CEO shall, upon request by any shareholder and provided the Board of Directors is of the opinion that such can occur without material harm to the company, provide information regarding any circumstances which may affect the assessment of a matter on the agenda, circumstances which may affect the assessment of the company's or a subsidiary's financial position, and the company's relationship to other group companies and the group accounts.

Documentation

Accounting documentation, auditor's reports, the auditor's opinion whether the guidelines adopted by the shareholder meeting for compensation to senior management have been complied with, and complete documentation supporting proposals for resolutions as set forth above, will be made available at Bactiguard's offices at Alfred Nobels Allé 150, Tullinge and on Bactiguard's website at www.bactiguard.se not later than Wednesday, 7 April 2020 and will be sent to any shareholder so requesting who also provides his/her address.

Processing of personal data

Bactiguard Holding AB (publ) is responsible for the processing of personal data carried out in connection with the Annual General Meeting. Information on how such personal data is processed can be found in the company's policy on the processing of personal data in connection with the Annual General Meeting, see:

<https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Stockholm, March 2020

Bactiguard Holding AB (publ)

The Board of Directors



For further information, please contact:

Cecilia Edström, CEO, phone +46 8 440 58 80

About Bactiguard

Bactiguard is a Swedish medical device company with a mission to save lives. To achieve this mission, we develop and supply infection prevention solutions which reduce the risk of healthcare associated infections and the use of antibiotics. This way, we save significant costs for healthcare and the society at large.

The Bactiguard technology prevents bacterial adhesion and biofilm formation on medical devices. Bactiguard offers the technology through licence agreements and our BIP (Bactiguard Infection Protection) portfolio of products. Through our licence partner BD, urinary catheters with Bactiguard's coating are market leading in the USA and Japan. Bactiguard's own product portfolio of urinary catheters, endotracheal tubes and central venous catheters prevent some of the most common infections, which appear in the urinary tract, the blood stream and the respiratory tract.

Bactiguard is in a strong expansion phase in the European markets, China, India and the Middle East as well by establishing license agreements in new therapeutic areas. Recently, Bactiguard completed the acquisition of Malaysian Vigilenz, a manufacturer and supplier of medical devices and consumables, primarily within wound care and infection prevention.

Following the acquisition, Bactiguard has about 180 employees around the world. Its headquarters and one of three production facilities are located in Stockholm, the other two in Malaysia.

Bactiguard is listed on Nasdaq Stockholm.

Read more about how Bactiguard saves lives at www.bactiguard.com