



## Notice to Annual General Meeting in HiQ International AB (publ)

The shareholders of HiQ International AB are hereby invited to the Annual General Meeting to be held on Tuesday 26 March 2019 at 10.00 a.m. at the company's premises in Stockholm at Katarinavägen 15, 7<sup>th</sup> floor.

### Notice of Attendance

Shareholders who wish to attend the General Meeting shall:

- have entered into the share ledger kept by Euroclear Sweden AB on Wednesday 20 March 2019; and
- give notice of his or her intention to participate at the General Meeting no later than Friday 22 March 2019.

Notice of attendance at the General Meeting shall be made in writing to HiQ International AB, P.O. Box 7421, SE-103 91 Stockholm, or by telephone +46 8 588 90 000, or by e-mail to [anmalan@hiq.se](mailto:anmalan@hiq.se). When giving notice of participation, the shareholder shall state name, personal identification number or company registration number, address, telephone number, shareholdings along with notification of (no more than two) representatives. If participation is by way of proxy, such document should be submitted in connection with the notice of participation of the Meeting. A proxy form will be available at the company's website, [www.hiq.se](http://www.hiq.se).

Shareholders with nominee-registered shares must, in order to participate at the General Meeting temporarily register the shares in his or her own name. Such shareholder must notify its nominee regarding the above-mentioned matter in due time before 20 March 2019.

### Proposed Agenda

1. Election of Chairman of the Meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to certify the minutes.
5. Establishment of whether the Meeting has been duly convened.
6. The Managing Director's report.
7. Presentation of the Annual Report and the Auditor's Report and the Consolidated Financial Statement and the Group Auditor's Report.
8. Resolution regarding
  - a) adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and consolidated balance sheet;
  - b) appropriation of the company's profit or loss according to the adopted balance sheet; and
  - c) discharge from liability for the members of the Board of Directors and the Managing Director.
9. Resolution regarding the number of members and deputy members of the Board of Directors.
10. Resolution regarding fees for the Board of Directors and the Auditors.
11. Election of members and deputy members of the Board of Directors.
12. Election of auditor
13. Establishment of Nomination Committee
14. Share split and mandatory redemption programme comprising the following resolutions:
  - a) Resolution to execute a share split;

- b) Resolution to reduce the share capital by mandatory redemption of shares; and
  - c) Resolution to increase the share capital by way of a bonus issue of shares.
15. Resolution to authorise the Board of Directors to resolve on the purchase and transfer of the company's own shares.
  16. Resolution regarding issue of warrants.
  17. Resolution regarding authorisation for the Board of Directors to issue new shares.
  18. Resolution regarding Guidelines for determining salary and other remuneration to the Managing Director and other persons in the company's management.
  19. Other matters duly referred to the Meeting.

### Proposals

#### *Dividend (item 8b)*

The Board of Directors proposes that no dividend payment shall be made for the 2018 financial year. The Board of Directors instead proposes a share redemption programme as set forth under item 14 below.

#### *Board of Directors etc. (items 1, 9-12)*

The Nomination Committee, consisting of Joachim Spetz (Swedbank Robur Fonder), Charlotta Faxén (Lannebo fonder), Johan Strandberg (SEB fonder) and Gunnel Duveblad, proposes that the Chairman of the Board of Directors, Gunnel Duveblad, is elected as Chairman of the Meeting.

The Nomination Committee proposes that the Board shall consist of seven Directors and proposes re-election of Gunnel Duveblad, Susanne Ehnbåge, Ulrika Hagdahl, Erik Hallberg, Raimo Lind, Lars Stugemo and election of Ann Hellenius, born 1974, currently CIO of Scandic Hotels Group. Ken Gerhardsen has informed the Nomination Committee that he declines re-election. It is proposed to re-elect Gunnel Duveblad as Chairman of the Board of Directors. Information regarding proposed Directors could be found on [www.hiq.se](http://www.hiq.se). The Nomination Committee proposes that the remuneration to the Board for the period until the close of the next Annual General Meeting shall be a total of SEK 2135,000, of which SEK 685,000 shall be allocated to the Chairman of the Board and SEK 265,000 to each of the other Board members not employed by the company and that the remuneration to the chairman of the Audit Committee shall be SEK 125,000. Further, it is proposed that the auditors should be remunerated for services billed. The Nomination Committee proposes re-election of KPMG AB as auditor for the period until the end of the Annual General Meeting held in 2020.

#### *Establishment of a Nomination Committee (item 13)*

The Nomination Committee suggest that the following principles for establishing a Nomination Committee and the duties of the Nomination Committee shall be adopted by the Annual General Meeting to be valid until another decision is made by a General Meeting.

The Chairman of the Board of Directors shall based on known shareholdings in the company according to Euroclear Sweden AB as of 31 July, contact the three largest shareholders in the company, which each are to elect one representative to the Nomination Committee. If any of the three major shareholders renounce from their right to elect a representative, the next largest shareholder are to be provided with the opportunity to elect a representative. In addition, the Chairman of the Board of Directors can be elected to be a part of the Nomination Committee. Neither the CEO nor any other member of the management shall be a member of the Nomination Committee.

The Chairman of the Board of Directors shall convene the initial meeting of the Nomination Committee. A representative of the shareholders shall be elected as Chairman of the Nomination Committee. Term of office for the Nomination Committee is until a new Nomination Committee has been appointed.

The names of the representatives of the Nomination Committee shall be announced no later than six months prior to the Annual General Meeting. All shareholders will thereby be informed whom to contact regarding questions on nominations.

In the event of major changes in the owner structure after the constitution of the Nomination Committee, the structure of the Nomination Committee can also change according to the above stated principles. Such changes shall not be made later than 2 months before the Annual General Meeting. Such changes shall be made public immediately.

The Nomination Committee shall prepare and at the General Meeting leave proposals regarding;

- Chairman for the Annual General Meeting.
- election of Chairman of the Board of Directors along with other members of the Board of Directors;
- fees to the members of the Board of Directors divided between the Chairman and other members as well as compensation for work in committees;
- election of and fee to the auditors and (any deputy auditors where appropriate);

No fee shall be paid to the Nomination Committee. The Nomination Committee shall, upon approval by the Chairman of the Board of Directors, be entitled to burden the company with costs for recruitment consultants or other costs necessary for the Nomination Committee to fulfil its duties.

#### *Share split and mandatory share redemption programme (item 14)*

The Board of Directors proposes that the Meeting resolves to execute a mandatory redemption programme for all shareholders in accordance with the items below. All resolutions are proposed to be adopted as one single resolution. A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

#### *Resolution to execute a share split (item 14 a)*

The Board of Directors proposes that the Meeting resolves to execute a share split, whereby each HiQ share is to be divided into two shares. One of these shares will be a so-called redemption share. The Board of Directors proposes that the record day for the share split shall be 9 April 2019.

#### *Resolution to reduce the share capital by mandatory redemption of shares (item 14 b)*

The Board of Directors proposes that the Meeting resolves to reduce the company's share capital by SEK 2,791,979.35 by way of redemption of a total of 55,839,587 shares, for repayment to the shareholders. In the event that the total number of shares in HiQ increase prior to the record date for the share split, the proposal for resolution to reduce the share capital is to be deemed as amended so that the redemption price shall be increased by SEK 0.05 for each new share in the company. Furthermore, the number of shares subject to redemption shall be increased by the corresponding number of new shares.

The consideration for each redemption share shall be SEK 3.35. The Board of Directors proposes that trading in the redemption shares shall take place from 10 April 2019 up to and including 25 April 2019. The Board of Directors also proposes that the record date for the share redemption shall be 7 May 2019. Payment is expected to be made via Euroclear Sweden AB on or around 10 May 2019.

#### *Resolution to increase the share capital by way of a bonus issue (item 14 c)*

In order to achieve a timely and efficient redemption procedure without requiring the leave of the Swedish Companies Registration Office or the court, the Board of Directors proposes that the Meeting resolves to increase the company's share capital by SEK 2,791,979.35 without issuing any new shares by transfer of the issue amount from the company's non-restricted equity to the company's share capital. If the number of outstanding shares increases before the record date for the share split in accordance with the proposal of the Board of Directors for a resolution on the execution of a share split in accordance with item 14 a, the above-mentioned proposals on the bonus issue are deemed to be amended so that the issue price shall be increased by SEK 0.05 for each new share in the company.

#### *Authorisation for the Board of Directors to purchase and transfer the company's own shares (item 15)*

The Board of Directors proposes that the Meeting authorises the Board of Directors to pass a resolution on one or more occasions for the period up until the next Annual General Meeting on purchasing so many shares that the company's holding does not at any time exceed 10 percent of the total number of shares in the company. The purchase of shares shall take place on Nasdaq Stockholm and may only occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.

Furthermore, it is proposed that the Meeting authorises the Board of Directors to pass resolutions on transferring the company's own shares as payment in connection with an acquisition of companies or businesses, at a price within the share price interval registered at that time.

The purpose of the authorisations is so that the Board of Directors obtains increased freedom to continuously adapt the company's capital structure.

A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

#### *Resolution regarding issue of warrants (item 16)*

The Board of Directors proposes that the General Meeting adopts a resolution to issue no more than 1,000,000 warrants. Each warrant shall entitle the holder to subscribe for one share. Warrants may be issued in two series (Series I and II) with no more than 800,000 warrants in each series. However, the total number of warrants in Series I and II may not exceed 1,000,000 warrants. For warrants in Series I the exercise price

shall correspond to 100 per cent of the average exchange quotation of the company's shares during the period commencing 26 April 2019 up to and including 10 May 2019, and for warrants in Series II the exercise price shall correspond to 100 per cent of the average exchange quotation of the company's share during a period of ten trading days immediately following the submission of the interim report for the first three quarters of 2019. The term of each warrant shall be approximately three years from the date the exercise price has been determined.

The right to subscribe for the warrants shall inure to the company or the wholly owned subsidiary HiQ Stockholm AB, which shall transfer the warrants to current and future employees of the group in Sweden and Finland. Transfer of warrants shall be made at market price (the warrant premium) or without consideration according to the following procedure. All entitled employees may not acquire more than 30,000 warrants at market price and shall be guaranteed to acquire 1,000 warrants at market price each. For Key employees the Company shall have a right to, for each acquired warrant, allocate another warrant without consideration. The right to the options given without paid consideration should be conditioned by that the Key employee is employed within the HiQ Group during the term of the warrants. By this procedure, the maximum number to be allocated to each Key employee could amount to maximum 60,000 warrants. The Key employee's gross profit for each option given without consideration should be maximised to 150% of the strike for the option and thereby the number of warrants given without consideration could be decreased proportionally in order to reach this limitation.

If all 1,000,000 warrants are exercised, the share capital of the company will increase by SEK 100,000 corresponding to a dilution of approx. 1.8 per cent of the company's share capital and votes. Considering previously adopted incentive programmes for employees, the total dilution amounts to approx. 6.2 per cent.

With the purpose to decrease the dilution from this program, the company intends to purchase own shares corresponding to a maximum of the received proceeds from the utilisation of the warrants for the purchase of shares in 2022. Purchase of own shares requires the Annual General Meeting in 2022 to decide to authorise the Board of Directors to purchase shares. If the share price at the time of subscription amounts to 150 per cent of the subscription price, the dilution, after the purchase of own shares, will amount to 0.6 per cent compared to the 1.8 per cent stated above.

The purpose of the proposal is to create opportunities to keep and to recruit competent employees to the HiQ group and to increase the motivation amongst the employees. The Board of Directors considers that the adoption of an incentive programme as described above is in the favour of the HiQ group and for the shareholders.

With the purpose of increasing participation in the incentive program, the company considers to subsidise the holders of warrants. For Key employees who still are employed by HiQ at the end of the term by way of a bonus payment, which before taxation amounts to the warrant premium. If the group has not achieved its long term financial target (presently the equivalent of an operating profit of 15 per cent)

during the period, only 50 per cent of the bonus will be paid. For all other employees participating in the program the company considers to subsidise the holders of warrants, who are still employed by HiQ at the end of the term by way of a bonus payment, which before taxation amounts to the warrant premium.

The company's costs associated with the program outlined above, including costs for the subsidy, cost of warrants given for free and social security fees, are estimated to amount to maximum SEK 8 million in total during the term of the program.

A valid resolution regarding approval of the incentive programme as set out above, requires approval of shareholders representing at least 90 per cent of both the votes cast and the shares represented at the Meeting.

*Resolution regarding authorisation for the Board of Directors to issue new shares (item 17)*

The Board of Directors proposes that the Board of Directors shall be authorised to resolve to issue of no more than 5,000,000 shares against payment in kind or against set-off payment in connection with acquisitions and payment of additional purchase price, at one or several occasions, during the period until the next Annual General Meeting. In respect of issues of shares against set-off payment, the Board of Directors can decide to deviate from the shareholders' preferential rights.

A valid resolution requires approval of shareholders representing at least two-thirds of both the votes cast and the shares represented at the Meeting.

*Resolution regarding guidelines for determining salary and other remuneration to the Managing Director and other persons in the company's management (item 18)*

The Board of Directors proposes that the current policy that was adopted at the Annual General Meeting 2018 shall be kept.

#### **Miscellaneous**

From 5 March 2019, the complete text of the Board of Directors' proposals as set out in item 14-18 above will be obtainable at the company's premises in Stockholm at Katarinavägen 15, 7<sup>th</sup> floor, on the company's website, [www.hiq.se](http://www.hiq.se), and sent to the shareholders who have notified to participate at the Annual General Meeting. Other shareholders who wish to receive those documents may notify the company, whereupon the documents will be sent by mail or by email.

As of 22 February 2019, the share capital of the company amounts to SEK 5,583,958.70, divided into 55,839,587 shares with the corresponding amount of votes.

#### **Annual Report**

Shareholders who wish to receive the printed version of the Annual Report for the fiscal year 2018, please order the report from the company by telephone +46 8 588 90 000 or by email: [anmalan@hiq.se](mailto:anmalan@hiq.se).

Stockholm in February 2019  
THE BOARD OF DIRECTORS

*HiQ helps to make the world a better place by making people's lives simpler through technology and communication. We are the perfect partner for everyone eager to achieve results that make a difference in a digitalised world. Founded in 1995, HiQ has more than 1,600 specialists in five countries and is listed on the Nasdaq Stockholm Mid Cap. For more information and inspiration, please visit [www.hiq.se](http://www.hiq.se).*