

Press release Stockholm, 25 June 2020

Report from Gränges AB's Annual General Meeting on 25 June 2020

Gränges AB held its Annual General Meeting (AGM) on Thursday 25 June 2020 and the following main resolutions were adopted.

For more detailed information on the content of the resolutions, please refer to the full notice to attend the AGM and the full proposals that are available on the company's website www.granges.com.

Adoption of the income statements and balance sheets

The AGM resolved to adopt the income statement and balance sheet as well as the consolidated income statement and consolidated balance sheet for the 2019 financial year.

Dividend

The AGM resolved, in accordance with the Board of Directors' proposal, that the retained earnings of SEK 1,588,580,143 that are at the disposal of the AGM will be appropriated so that the whole amount is carried forward.

Discharge from liability

The AGM discharged the members of the Board of Directors and the Chief Executive Officer from liability towards the company for management of the company in 2019.

Board of Directors and auditors

The AGM re-elected Carina Andersson, Mats Backman, Peter Carlsson, Katarina Lindström, Hans Porat, Ragnhild Wiborg, and elected Fredrik Arp, as Board members. Anders G. Carlberg had declined re-election. The AGM elected Fredrik Arp as Chairman of the Board of Directors.

The AGM re-elected the registered accounting firm Ernst & Young as the company's auditor.

The AGM resolved that fees payable for the period until the conclusion of the next Annual General Meeting will be unchanged and in accordance with the following. The Chairman of the Board of Directors will receive SEK 625,000 and each of the other Board members elected by the General Meeting will receive SEK 310,000. Furthermore, a fee of SEK 100,000 will be paid to the Chairman of the Audit Committee and SEK 50,000 to the other members. Fees of SEK 50,000 will be paid to the Chairman of the Remuneration Committee and SEK 25,000 to the other members. All employee representatives of the Board shall receive SEK 40,000 each for the corresponding period of time.

The AGM resolved that fees will be paid to the auditor in accordance with approved invoices.

Guidelines for salary and other remuneration

The AGM resolved to approve the guidelines proposed by the Board of Directors for salary and other remuneration to directors and senior managers.

Long-term incentive programme

The AGM resolved, in accordance with the Board of Directors' proposal, on a long-term incentive programme, LTI 2020. The programme will run for three years and will be offered to senior managers to supplement the annual incentive programme ("STI 2020").

STI 2020 measures EBIT (50 per cent), cash conversion (30 per cent) and individual performance (20 per cent), for a maximum payout of 60 per cent of annual basic pay. For President Americas, the maximum payout is 100 per cent of annual basic pay.

LTI 2020 implies that a payout equivalent to the amount of STI 2020 is allocated and indexed to the total return of the Gränges share. The vesting periods for LTI 2020 will run over the years 2021, 2022, and 2023 and payment will be made proportionately on an annual basis over a period of three years – 2022, 2023 and 2024 – provided that the individual remains in the Gränges Group's employ.

The total payout from STI and LTI programmes may not exceed 150 per cent of the annual basic pay as of the date of the payout. This shall not apply to the person holding the position as President Americas, whose total payout from STI and LTI programmes is limited to 200 per cent of the annual basic pay.

Investment programme

The AGM resolved, in accordance with the Board of Directors' proposal, on a long-term investment programme ("IP 2020"). The programme is a one-off programme and will be offered to senior managers and other key employees. The participants in IP 2020 undertake to invest an amount corresponding to up to 50 per cent of an annual base salary before tax in shares and call options in the company.

Each participant in IP 2020 receives a conditional cash contribution which, after tax deducted and other applicable fees, amounts to 50 per cent of the investment amount (the "Net Contribution"). If the participant has terminated his/her employment or has been terminated within three years from the date of payment of the Net Contribution, an amount corresponding to the Net Contribution shall be refunded to the company.

In connection with IP 2020 the Board of Directors of the company is authorized to issue call options for a maximum amount of 2,000,000 shares in the company, corresponding to a maximum of 2.6 per cent of the total number of shares and votes in the company, and to enter into share swap agreements in respect of shares in the company with appropriate parties on the market in order to be able to deliver the shares which will be available for acquisition by the participants within IP 2020 through the exercise of call options which have been issued. Each call option entitles the participants to acquire one share in the company.

Amendment of the Articles of Association

The AGM resolved, in accordance with the Board of Director's proposal, to amend item 9 of the Articles of Association by removing the information regarding the record date as an adjustment to an upcoming legislative change, and raising the limits for the lowest and highest share capital and the lowest and highest number of shares in item 4 of the Articles of Association. Furthermore, the AGM resolved to introduce a new item in the Articles of Association on postal voting and of a few not significant changes related to formalities.

Issue authorization

The AGM resolved, in accordance with the Board of Director's proposal, to authorize the Board of Directors to, on one or more occasions until the next AGM, issue new shares. An issue can be decided with or without regard to shareholders' pre-emption rights. Following this authorization, the total maximum number of shares that may be issued shall be equivalent to a subscription amount of a total of SEK two (2) billion (based on the subscription price and/or the value of the contributions in kind in such issue). If the shares are paid for in kind and wherein other than the shareholders have the right to subscribe, shall the maximum number of shares that may be issued be equivalent to ten (10) per cent of the total number of outstanding shares in the company on the date of the AGM's resolution on the authorization.

For further information, please contact:

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About Gränges

Gränges is a leading global supplier of rolled aluminium products for heat exchanger applications and other niche markets. In materials for brazed heat exchangers Gränges is the global leader with a market share of approximately 20 per cent. The company develops, produces and markets advanced materials that enhance efficiency in the customer manufacturing process and the performance of the final products. The company's geographical markets are Europe, Asia and the Americas. Its production facilities are located in Sweden, China and the United States, and have a combined annual capacity of 460,000 metric tonnes. Gränges has 1,800 employees and net sales of SEK 12 billion. The share is listed on Nasdaq Stockholm. More information on Gränges is available at www.granges.com.