



semcon

**Proposed resolutions, etc.
ahead of Extraordinary
General Meeting in
Semcon AB (publ)**

Friday 2 July 2021

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PROPOSED AGENDA

1. Opening of the Extraordinary General Meeting
2. Election of Chair of the Extraordinary General Meeting
3. Drafting and approval of the voting list
4. Approval of the agenda
5. Election of two people to approve the minutes together with the Chair
6. Review as to whether the Extraordinary General Meeting has been duly convened
7. Decision regarding appropriation of the company's profits and record date for dividend
8. Closing of the Extraordinary General Meeting

THE BOARD'S PROPOSALS

The Board of Semcon AB [publ], corporate identity number 556539-9549, proposes that the Extraordinary General Meeting of 2 July 2021 make the following decisions:

Item 2 - Election of Chair of the Extraordinary General Meeting

The Board proposes Eva Elmstedt, as Chair of the Extraordinary General Meeting.

Item 7 - Decision regarding appropriation of the company's profits and record date for dividend

In line with the Board's proposal, the Annual General Meeting on 29 April 2021 resolved that no dividend was paid to shareholders. Thereafter, the Board has again evaluated the Group's development, including the Group's financial results and position and the general market outlook. In an overall assessment, the Board has decided to propose that a dividend of SEK 3 per share be paid out.

The size of the dividend can amount to a maximum of SEK 54,337,602 if the company does not hold any own shares as of the record date for the dividend.

As of the date of the notice convening the Extraordinary General Meeting, the company has 18,112,534 shares, of which 636,071 shares are currently own shares not eligible to dividend. Against this background, the sum of the dividend proposed above of SEK 54,337,602 may be lower depending on the number of own shares held on the record date for the dividend.

It is proposed that the record date for the dividend be 6 July 2021. If the Extraordinary General Meeting votes in accordance with the proposal, payment is expected to be made via Euroclear Sweden AB on 9 July 2021.

After the most recent decision on value transfer, SEK 343,933,637 remains of the amount disposable in accordance with Chapter 17, Section 3, first paragraph of the Companies Act.

In connection with the proposal, the Board has made assurances in accordance with Chapter 18, Sections 4 and 6 of the Swedish Companies Act, see Supplement A and B. The auditors' statement on the Board's report is attached as Supplement C.

The Board for Semcon AB [publ]
Göteborg June 2021

Supplement A

Statement in accordance with Chapter 18 Section 4 of the Companies Act

The Board of Semcon AB [publ], corporate identity number 556539-9549, makes the following statement in accordance with Chapter 18 Section 4 of the Companies Act in connection with the proposal to pay a profit dividend of SEK 3 per share, which would mean a maximum of SEK 54,337,602 [based on the ownership of zero own shares] shall be paid. The Board has submitted this proposal for a decision by the Extraordinary General Meeting to be held on 2 July 2021; Item 7 on the proposed agenda.

Justification

In accordance with Semcon's financial targets, the dividend paid to shareholders over the long-term shall amount to about half of earnings after tax. The Board's view is that the size of future dividends should be based on Semcon's long-term growth and profit trend, as well as capital requirements for continued expansion with consideration for these financial targets. The proposed dividend constitutes 53 per cent of 2020 earnings per share after dilution, which is in line with Semcon's financial targets taking into account the long-term growth, profit trend and capital requirements for continued expansion.

The Board considers there to be full coverage for the company's restricted equity following the proposed dividend.

The Board also considers that the proposed dividend to shareholders is reasonable considering the parameters stated in Chapter 17 Section 3, second and third paragraphs of the Companies Act [type, scope and risks of the business, and consolidation requirement, liquidity and general position]. The Board wishes therefore to make the following statement.

Type, scope and risks of the business

The Board considers that the company's and Group's equity following the proposed dividend will be sufficiently large in relation to the business's type, scope and risks. In this context, the Board considers, among other things, the company's and Group's historic development, the economic situation, expected development and investment plans.

Consolidation requirement, liquidity and general position

The Board has made a general assessment of the company's economic position and the company's opportunities in the long-term to meet its commitments. The proposed dividend constitutes 14.0 per cent of the company's equity and 7.8 per cent of the Group's equity. Following

payment of the dividend the company's equity/assets ratio will be 67.7 per cent and the Group's equity/assets ratio will be 58.0 per cent.

The company's and Group's equity/assets ratio is good considering current conditions for the industry. With this background, the Board considers that the company and Group have adequate prerequisites for tackling future business risks and withstanding possible losses.

The company and Group have good liquidity and also good access to liquid reserves in the form of both short and long-term credit, which means that the company and Group are well equipped to meet any variations in liquidity or unforeseen circumstances. The Board therefore considers that the proposed dividend will not affect the company's and Group's ability to meet its payment commitments at the right time.

The Board has considered all other known conditions that may have significance for the company's and Group's economic position and which were not included in the previous statements. No circumstance has thereby arisen which would make the proposed dividend unjustifiable.

The Board for Semcon AB [publ]
Göteborg June 2021

Supplement B

The Board's report in accordance with Chapter 18 Section 6 item 3 of the Companies Act on significant events and value transfer

The Board of Semcon AB [publ], corporate identity number 556539-9549, submits the following report in accordance with Chapter 18 Section 6 item 3 of the Companies Act in connection with the proposal to pay a profit dividend of SEK 3 per share, which would mean a maximum of SEK 54,337,602 [based on the ownership of zero own shares] shall be paid. The Board has submitted this proposal for a decision by the Extraordinary General Meeting to be held on 2 July 2021; item 7 on the proposed agenda.

On 25 March 2021, the company presented its annual report on the financial year 2020, including the latest adopted income statement and balance sheet. Subsequent to the presentation of the annual report on the financial year 2020, the following events of material significance for the company's position and value transfer have occurred:

- The events described in the company's interim report for the period 1 January 2021 to 31 March 2021 that was announced in a press release on 29 April 2021; and
- The company's acquisition of the IT company Squeed that was announced in a press release on 11 May 2021.

All press releases are published on the company's website. In addition to the above, no value transfers or significant events have occurred after the presentation of the annual report on the financial year 2020. There were no changes in the company's restricted equity since the balance sheet date for the financial year 2020.

The Board for Semcon AB [publ]
Göteborg June 2021

Supplement C

The auditors' statement in accordance with Chapter 18 Section 6 item 4 of the Companies Act (2005:551) on the Board's report on significant events for the period 22 March to 1 June 2021

Refer to separate document published on the company website www.semcon.com [the signed version of the auditors' statement is in Swedish].