

**Translation of Announcement No. 3 - 2016  
to NASDAQ Copenhagen**



**Brødrene A & O Johansen A/S**  
Rørvang 3  
DK-2620 Albertslund  
Tlf. 70 28 00 00  
Fax 70 28 01 01  
AO.dk

DANSKE BANK GLOSTRUP  
KONTONR. 4440 137040  
CVR-NR. 58 21 06 17

2016.02.22

## **NOTICE CONVENING THE ANNUAL GENERAL MEETING OF BRØDRENE A & O JOHANSEN A/S**

The Board of Directors hereby gives notice of the annual general meeting of Brødrene A & O Johansen A/S, CVR (Central Business Register) No. 58 21 06 17, to be held on

**FRIDAY, 18 MARCH 2016, AT 10.00 A.M.**

at

**BRØDRENE A & O JOHANSEN A/S  
RØRVANG 3  
DK-2620 ALBERTSLUND  
DENMARK**

with the following

### **AGENDA:**

1. The Board of Directors' report on the company's activities in 2015.
2. Approval of the audited 2015 Annual Report.
3. Allocation of profits or covering of losses in accordance with the approved Annual Report.
4. Resolution to discharge the Executive Management and the Board of Directors from liability.
5. Election of members to the Board of Directors.

The Board of Directors proposes re-election of the following current Board members: Mr Henning Dyremose, Mr Michael Kjær, Mr Erik Holm, Mr Preben Damgaard Nielsen (elected by the holders of preference shares) and Mr Niels A. Johansen. Schedule 1 describes the backgrounds of the Board members.

6. Election of company auditor.

The Board of Directors proposes to re-elect Ernst & Young Godkendt Revisionspartnerselskab.

7. Proposals from the Board of Directors or shareholders.

7.1 As announced in company announcement no. 1 of 4 February 2016, the company has on 4 February 2016 entered into a conditional transfer agreement with Sanistål A/S regarding the acquisition of Sanistål's holding of the company's preference shares at a total nominal value of DKK 22,300,500, corresponding to 39.12% of the total share capital of the company and 20.69% of the total number of votes in the company. The total purchase price for the shares is agreed to be DKK 400,844,000, corresponding to a price of DKK 1,797.47 (rounded off) per share. The company will pay the purchase price in cash on the date of transfer. The acquisition of treasury shares from Sanistål A/S is conditional upon the company's Board of Directors being authorised by the annual general meeting to complete the transfer in accordance with section 198 of the Danish Companies Act and upon the acquisition being justifiable on the date of transfer, cf. section 179(2) of the Danish Companies Act.

On that basis, the Board of Directors proposes that the annual general meeting authorises the Board of Directors to let the company acquire Sanistål A/S' holding of the company's preference shares at a nominal value of DKK 22,300,500 (corresponding to 43.42% of the preference share capital of the company and 39.12% of the company's total share capital). The total purchase price amounts to DKK 400,844,000, which corresponds to a price of DKK 1,797.47 (rounded off) per nominal share of DKK 100.

The authority will expire on 1 July 2016 but is expected to be exercised as soon as possible after the annual general meeting.

In addition to the above-mentioned authority, the Board of Directors proposes that the annual general meeting authorises the Board of Directors to let the company acquire treasury shares in the usual way on an ongoing basis. In that connection, reference is made to the proposal under agenda item 7.2 below.

7.2 In addition to the proposed authority of the Board of Directors to complete the announced acquisition of own preference shares at a nominal value of DKK 22,300,500 from Sanistål A/S, cf. agenda item 7.1 above, the Board of Directors proposes that the annual general meeting also – and in the usual way – authorises the Board of Directors until 1 May 2017 to let the company acquire treasury shares up to a total nominal value of 10% of the company's share capital at the time of authorisation. The total number of shares held by the company may, however, at no time exceed the aforesaid 10%, not including the preference shares that may be acquired in relation to the authority mentioned under agenda item 7.1 above. The consideration may not deviate by more than 10% from the official price quoted on Nasdaq Copenhagen at the time of acquisition.

If the proposal regarding the acquisition of treasury shares from Sanistål A/S, cf. agenda item 7.1 above, is adopted, the company's Board of Directors will until 1 July 2016 be authorised to acquire own preference shares corresponding to 49.12% of the company's total share capital. In the period after 1 July 2016, when the proposed authority mentioned under item 7.1 expires, and up until 1 May 2017 the Board of Directors will be authorised to acquire own preference shares at a nominal value of 10% of the share capital, as mentioned above in detail with regard to holding and consideration.

7.3 The Board of Directors proposes to alter the Articles of Association so that the company's preference shares be changed from bearer shares to registered shares.

Article 3, paragraph 9, will thus read as follows:

'The preference shares are freely negotiable. The preference shares shall be registered shares, and the names of the holders shall always be registered in the Company's Register of Shareholders. The Company's Register of Shareholders shall be kept by VP Investor Services, CVR number 30 20 11 83. The preference shares are negotiable securities.'

In consequence, it is proposed that the last sentence of Article 6, paragraph 3, be deleted so that the notice convening a general meeting no longer needs to be made public through the electronic information system of the Danish Business Authority.

### **Adoption requirements**

Adoption of the proposal in item 7.3 of the agenda requires at least 2/3 of the votes cast and of the voting share capital represented at the general meeting. The other proposals may be adopted by a simple majority of votes.

### **Share capital and voting rights**

The company's share capital amounts to nominally DKK 57,000,000. This share capital is divided up into an ordinary share capital of nominally DKK 5,640,000 and a preference share capital of nominally DKK 51,360,000. The ordinary share capital is divided into shares DKK 100 or multiples hereof. The preference share capital is divided into shares of DKK 100 or multiples hereof. Each ordinary share of DKK 1,000 carries 100 votes, and each preference share of DKK 100 carries 1 vote.

Shareholders registered in the company's shareholders' register on the record date or who have announced and documented their acquisition of shares in the company in order to become registered in the shareholders' register not later than on the record date are entitled to attend and vote at the general meeting. The record date is **Friday, 11<sup>th</sup> March 2016**. Attendance is subject to the shareholder having received an admission card as described below.

### **Admission cards**

Shareholders who wish to attend the general meeting must request an admission card.

Admission cards may be requested

- electronically via 'Investor Relations' on the company's website, [www.ao.dk](http://www.ao.dk), or
- by contacting the company by telephone at +45 70 28 01 80.

The request must be received by the company not later than **Monday, 14<sup>th</sup> March 2016**.

A shareholder or a proxy holder may attend the general meeting together with an advisor, provided that an admission card for the advisor has been requested in time.

### **Representation by proxy**

A shareholder, who is unable to attend the general meeting, may choose to give proxy to the Board of Directors or to a designated third party.

Proxy may be granted:

- by completing, signing and returning the proxy form by post to Brødrene A & O Johansen A/S, Rørvang 3, DK-2620 Albertslund, Denmark, or by e-mail to [suh@ao.dk](mailto:suh@ao.dk). The proxy form may be downloaded from the company's website, [www.ao.dk](http://www.ao.dk).

Proxy forms must be received by the company not later than **Monday, 14<sup>th</sup> March 2016**.

### **Written vote (vote by correspondence)**

A shareholder, who is unable to attend the general meeting, may submit a written vote (vote by correspondence). Written votes cannot be revoked.

Written votes may be submitted:

- by completing, signing and returning the written voting form by post to Brødrene A & O Johansen A/S, Rørvang 3, DK-2620 Albertslund, Denmark, or by e-mail to [suh@ao.dk](mailto:suh@ao.dk). The written voting form may be downloaded from the company's website, [www.ao.dk](http://www.ao.dk).

Written votes must be received by the company not later than **Thursday, 17<sup>th</sup> March 2016, at 3.00 p.m.**

Please note that a shareholder may either submit a proxy or a written vote, but not both.

#### **Additional information**

Until and including the date of the general meeting, the following additional information concerning the general meeting will be available on the company's website, [www.ao.dk](http://www.ao.dk):

- Notice of general meeting, including the agenda and the complete proposals with appendices and CVs of candidates nominated to the Board of Directors.
- The documents to be presented at the general meeting, including the 2015 Annual Report.
- Proxy and written voting form.
- The total number of shares and voting rights as at the date of the notice.

#### **Questions from the shareholders**

Shareholders may prior to the general meeting submit questions concerning the agenda or the documents to be considered at the general meeting in writing to the company by email to [suh@ao.dk](mailto:suh@ao.dk) or by post to Brødrene A & O Johansen A/S, Rørvang 3, DK-2620 Albertslund, Denmark.

Albertslund, February 2016

The Board of Directors

## **INFORMATION ABOUT THE BOARD OF DIRECTORS' MANAGERIAL POSTS**

- **Henning Baunbæk Dyremose, Chairman of the Board**

- Born 1945.
- Nationality: Danish.
- Chairman of the Board since 2007.
- Member of the Board since 1997.
- Chairman of Brødrene A & O Johansen A/S's Audit Committee.
- Elected by the ordinary shareholders.
- As Henning Dyremose has been a member of the Board for more than 12 years, he cannot, according to the 'Danish Recommendations on Corporate Governance', be characterised as being independent of special interests.

### Qualifications

- Broad leadership experience in business, finance and politics.
- Experience as managing director of a wholesale company with the same customers as Brødrene A & O Johansen A/S.
- Former Minister of Finance.

### Managerial Posts

- Chairman of the boards of:  
  
KRB Holding A/S  
Rosendahls A/S - Print Media Design.

- **Michael Kjær, Deputy Chairman of the Board**

- Managing Director of F GROUP A/S.
- Born 1956.
- Nationality: Danish.
- Deputy Chairman of the Board since 2007.
- Member of the Board since 2002.
- Member of Brødrene A & O Johansen A/S's Audit Committee.
- Elected by the ordinary shareholders.
- As Michael Kjær has been a member of the Board for more than 12 years, he cannot, according to the 'Danish Recommendations on Corporate Governance', be characterised as being independent of special interests.

### Qualifications

- Management (CEO) of major retail chain.
- Expertise in strategy, sales, marketing and accounting.
- Experience with business organisations and employers' associations.

## Managerial Posts

- Chairman of the boards of:

Dansk Erhverv (The Danish Chamber of Commerce).  
Artha Holding A/S.

- Deputy Chairman of the board of:

Interdan A/S.

- Member of the boards of:

Kraks Fond  
The Confederation of Danish Employers.

- Ad hoc expert judge at the Danish Maritime and Commercial Court.

- **René Alberg**

- Key Account Sales Assistant.
- Born 1971.
- Nationality: Danish.
- Staff-elected member of the Board.
- Member of the Board since 2006.
- Re-elected in 2014, term expires in 2018.

- **Erik Holm**

- Managing Partner and Manager of Maj Invest Holding A/S, Manager of Fondsmæglerselskabet Maj Invest A/S and Erik Holm ApS, Managing Director of Maj Invest Equity A/S and Interbuild ApS.
- Born 1960.
- Nationality: Danish.
- Member of the Board since 2009.
- Elected by the ordinary shareholders.
- Considered to be independent of special interests.

## Qualifications

- Experience as managing director of a wholesale company with the same customers as Brødrene A & O Johansen A/S.
- Broad leadership experience in sales, finance and logistics, both in Denmark and internationally.
- Experience of Board work in other listed companies.

## Managerial Posts

- Chairman of the boards of:

KK-Group A/S  
Sticks'n'Sushi A/S  
Sticks'n'Sushi Holding A/S  
Vega Sea A/S  
Vernal A/S.

- Deputy Chairman of the boards of:

SP Group A/S  
SP Moulding A/S  
Arvid Nilssons Fond.

- Member of the boards of:

Fonden Maj Invest Equity General Partner  
Maj Invest Equity A/S  
Muuto A/S  
Muuto Holding A/S.

- **Leif Hummel**

- Distribution Manager.
- Born 1963.
- Nationality: Danish.
- Staff-elected member of the Board.
- Member of the Board since 2014.
- Elected in 2014, term expires in 2018.

## Qualifications

- Leadership experience in staff management, logistics and warehouse management.
- Experience of national and international distribution and transport planning.
- Experience with environmental management and working environment assessment.
- Experience in finance and accounting.
- Experience of board work in private institutions.

- **Carsten Jensen**

- Logistics Coordinator.
- Born 1955.
- Nationality: Danish.
- Staff-elected member of the Board.
- Member of the Board since 1990.
- Re-elected in 2014, term expires in 2018.

- **Niels Axel Johansen**

- Chief Executive Officer of Brødrene A & O Johansen A/S.
- Born 1939.
- Nationality: Danish.
- Member of the Board since 1979.

- Elected by the ordinary shareholders.
- As Niels A. Johansen has been a member of the Board for more than 12 years and is a member of the Executive Board, he cannot, according to the 'Danish Recommendations of Corporate Governance', be characterised as being independent of special interests.

#### Qualifications

- Long-time managerial experience as CEO.
- In-depth knowledge of the wholesale industry of installation materials in Denmark and the rest of Europe.

#### • **Preben Damgaard Nielsen**

- Managing Director of Damgaard Company A/S, Damgaard Group A/S, Damgaard Group Holding ApS, Damgaard Group Holding II ApS, Ejendomsselskabet Oktanten ApS, The Closet ApS, Katrine Damgaard Invest ApS, Olivia Damgaard Invest ApS, Markus Damgaard Invest ApS, Damgaard Family Invest ApS, Damgaard Family Invest II ApS, Galleri BB Holding ApS, Galleri Bo Bjerggaard International ApS, PD International Invest ApS.
- Born 1963.
- Nationality: Danish.
- Member of the Board since 2007.
- Member of Brødrene A & O Johansen A/S's Audit Committee.
- Elected by the preference shareholders.
- Considered to be independent of special interests.

#### Qualifications

- Broad leadership experience.
- Long-time experience as CEO.
- Worked as CEO of a listed company from 1999 to 2003.
- In-depth knowledge of accounting and IT systems.

#### Managerial Posts

- Chairman of the boards of:

Proactive A/S  
 Proactive Holding 2008 A/S  
 Proactive Innovation A/S  
 7N A/S  
 Cirque A/S  
 Cirque Holding A/S  
 Cirque Bredbånd A/S  
 Cirque Systems A/S.

- Member of the boards of:

Skolebordet.dk A/S  
 Damgaard Company A/S  
 Damgaard Company II A/S  
 Damgaard Group A/S  
 Templafy ApS.

- Member of the Investment Committee for Seed Denmark.