

## Notice of annual general meeting 2014

***The shareholders of Doro AB (publ), Reg. No. 556161-9429, are invited to the annual general meeting on Monday 12 May 2014 at 15.00 CET at Hotell Scandic Anglais, Humlegårdsgatan 23, Stockholm.***

### RIGHT TO ATTEND THE MEETING

Shareholders who wish to attend the annual general meeting must be registered in the share register maintained by Euroclear Sweden AB on Tuesday 6 May 2013, and must also notify the company of their intention to attend the meeting no later than Tuesday 6 May 2013 at 12.00 (noon).

Shareholders whose shares have been registered with a nominee must, through the bank or securities broker administering the shares, temporarily re-register their shares in their own names with Euroclear Sweden AB in order to be entitled to participate in the annual general meeting. Such re-registration must have been completed not later than Tuesday 6 May 2014. A request for re-registration must be made well in advance of this date.

### NOTIFICATION OF ATTENDANCE

Notification of attendance at the annual general meeting may be made in writing to Doro AB, Magistratsvägen 10, 226 43 Lund, Sweden or via [www.doro.com](http://www.doro.com). This notification shall state the name of the shareholder, personal identity number or corporate identity number, address, number of shares held and, where applicable, the number of accompanying assistants (at most two). Where applicable, complete documentation confirming eligibility, such as certificates of registration or equivalent, shall be enclosed with the notification.

### PROXY

Shareholders represented by proxy shall issue a written power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or corresponding document ("certificate") for the legal entity shall be appended to the notification of attendance. The power of attorney and certificate may not be more than one year old at the date of the meeting; the period of validity of the power of attorney may however be no more than five years, if this has been explicitly stated. The power of attorney in original and, where applicable, the certificate, shall be sent by post to the company at the address stated above well in advance of the annual general meeting. Proxy forms are available from the company's website, [www.doro.com](http://www.doro.com).

### NUMBER OF SHARES AND VOTES

As of the date of this notice the number of shares and votes in the company is 20,831,174.

### SHAREHOLDERS' RIGHT TO REQUEST INFORMATION

The shareholders are reminded of their right to request information in accordance with chapter 7, section 32 of the Swedish Companies Act (Sw. *aktiebolagslagen*).

## PROPOSED AGENDA

1. Opening of the meeting,
2. Election of chairman of the meeting,
3. Preparation and approval of the voting list,
4. Approval of the agenda,
5. Election of two persons to verify the minutes,
6. Determination as to whether the meeting has been duly convened,
7. Speech by the Managing Director/CEO,
8. Presentation of the annual report and the audit report, and the consolidated accounts and the audit report on the consolidated accounts,
9. Decision regarding the adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet,
10. Decision regarding appropriation of the company's profit according to the adopted balance sheet,
11. Decision regarding the discharge from liability for the members of the board of directors and the Managing Director,
12. Determination of the number of members of the board of directors,
13. Determination of the remuneration to each of the members of the board of directors and the auditor,
14. Election of the members of the board of directors and the chairman of the board of directors and the auditor,
15. The Nomination committee's proposal regarding principles for the appointment of the nomination committee,
16. The board's proposal regarding authorisation to issue new shares,
17. The board's proposal regarding authorisation to resolve on acquisition of the company's own shares,
18. The board's proposal regarding remuneration guidelines for the group management,
19. The board's proposal regarding a directed issue of new warrants and transfer of warrants,
20. Closing of the meeting.

## APPROPRIATION OF PROFIT (ITEM 10)

The board of directors proposes that the annual general meeting resolves to distribute a dividend of SEK 1.50 per share for the financial year 2013.

The record date for the right to receive the dividend is proposed to be 15 May 2014. If the annual general meeting resolves in accordance with the proposal, the dividend is estimated to be paid through Euroclear Sweden AB on 20 May 2014.

## THE NOMINATION COMMITTEE'S PROPOSALS (ITEMS 2, 12, 13, 14 and 15)

Prior to the annual general meeting 2014 the nomination work has been conducted by a nomination committee consisting of Tedde Jeansson, Arne Bernroth, representing Nordea Investment Funds, and the chairman of the board of directors Bo Kastensson. Tedde Jeansson is the chairman of the nomination committee. The nomination committee has proposed the following as regards items 2, 12, 13, 14 and 15.

**Chairman of the annual general meeting:** Bo Kastensson (item 2).

**Remuneration to the board:** The remuneration to the board of directors, until the time of the end of the next annual general meeting, is proposed to be in accordance with the following. The chairman receives SEK 350,000 and other members not employed by the company receives SEK 150,000 each (item 13).

**Chairman of the board and other board members:** The number of board members is proposed to be six (6) with no deputies (item 12). The following board members are proposed for re-election: Bo Kastensson, Jérôme

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Arnaud, Jonas Mårtensson, Karin Moberg, Charlotta Falvin and Fredrik Hedlund. Bo Kastensson is proposed to be re-elected as chairman of the board (item 14).

**Auditors:** Ernst & Young AB is proposed for re-election (item 14).

**Remuneration to the auditor:** It is proposed that fees to the auditors for the period until the end of the next annual general meeting shall be paid in accordance with invoicing approved by the company. (item 13).

**Proposal regarding principles for the appointment of the nomination committee:** The chairman of the board shall be appointed member of the nomination committee and shall, after consultation with the electorally major shareholders as per 1 September of the company, appoint two additional members. The names of these members shall be made public not later than six months before the annual general meeting. The nomination committee shall among themselves appoint one of the members of the committee as chairman. The appointed chairman must not be the chairman of the board. In the event a shareholder represented by a member of the nomination committee is no longer one of the electorally major shareholders of the company, or in the event a member of the nomination committee is no longer employed by such shareholder or for any other reason resigns from the nomination committee before the annual general meeting, the other members of the nomination committee shall, after consultation, have the right to appoint another representative for the electorally major shareholders to replace such member. The nomination committee's duties in preparation for the annual general meeting comprise of preparing the election of chairman and other members of the board, election of auditor, election of chairman of the annual general meeting, matters regarding remunerations and questions in connection thereto (item 15).

#### THE BOARD'S PROPOSAL REGARDING AUTHORISATION TO RESOLVE TO ISSUE NEW SHARES (ITEM 16)

The board proposes that the annual general meeting resolves to authorise the board, for the period until the next annual general meeting, to resolve, on one or several occasions, to issue in total a number of shares that is equal to 10% of the number of outstanding shares at the date of the annual general meeting, without preferential rights for the shareholders. Such new issue resolution shall include a provision that new shares shall be paid in kind. The reason for the proposal and the reason for deviating from preferential rights for existing shareholders is to allow the company to implement acquisitions with payment in the form of shares.

The CEO shall have the right to make such minor adjustments to this resolution that may be necessary in connection with registration with the Swedish Companies Registration Office.

#### THE BOARD'S PROPOSAL REGARDING AUTHORISATION TO RESOLVE ON ACQUISITION OF THE COMPANY'S OWN SHARES (ITEM 17)

The board proposes that the annual general meeting resolves to authorise the board to decide on the acquisition of the company's own shares, where the following shall apply:

1. Acquisition of own shares shall exclusively take place on NASDAQ OMX Stockholm.
2. The authorisation may be utilised on one or several occasions until the annual general meeting 2015.
3. Shares may be acquired to the extent that the company's holding of its own shares, on any occasion, does not exceed 5% of the company's total shares.
4. Purchase orders may only be placed at a price equal to the valid buy rate, from time to time, on NASDAQ OMX Stockholm.

The purpose of the proposed authorisation is to provide flexibility as regards the company's possibilities to distribute part of its retained earnings to the shareholders as well as to provide the board with a tool for optimising the company's capital structure, if that, at the time, is considered to be the best usage of the company's available cash.

A resolution in accordance with the proposal shall only be valid where supported by not less than two-thirds of both the votes cast and the shares represented at the annual general meeting.

## THE BOARD'S PROPOSAL REGARDING REMUNERATION GUIDELINES FOR THE GROUP MANAGEMENT (ITEM 18)

The board of directors proposes that the annual general meeting resolves to adopt remuneration guidelines with the principal effect that salaries and other terms of remuneration for the group management shall be on market terms. In addition to a fixed base salary, the group management may also receive a variable remuneration (including also any bonus) that shall have a predetermined maximum level and be based on the outcome in relation to profit targets (and in certain cases other key ratios). Maximum cost including social security contributions for variable remuneration to the management may not exceed SEK 10 million. The total cost for fixed and variable remuneration shall each year be determined to an amount including all of the company's remuneration costs, which enables management to allocate parts of their fixed and variable remuneration to other benefits, such as pension benefits. The pension plans for the management shall mainly be a defined contribution pension scheme. In case of termination of employment by the company there may be a right to a severance pay, which in such case shall have a predetermined maximum amount. In case of termination of employment by the employee no severance pay shall be paid. The board of directors is entitled to deviate from its aforementioned guidelines where, in the board's opinion, the specific circumstances of a particular case so dictate.

## THE BOARD'S PROPOSAL REGARDING A DIRECTED ISSUE OF NEW WARRANTS AND TRANSFER OF WARRANTS (ITEM 19)

The board proposes that the annual general meeting resolves to adopt a warrant program in accordance with the proposal below.

### **Background and reasons**

In the evaluation by the board of directors several reasons have appeared to implement a new share related incentive programme for the employees of the Doro group, by which the staff's rewards once again can be tied to the company's future earnings and value trend. Long-term value appreciation is thereby promoted and shareholders and concerned members of the staff share the same goals. Furthermore, share related incentive programs create a group level focus for the concerned members of the staff, thereby promoting long-term actions. An incentive program is also deemed to facilitate future recruitments and the ability to keep key employees.

With consideration to the terms and conditions, the size of the allocation and other circumstances, the board of directors is of the opinion that the proposed warrant programme, as set forth below, is reasonable advantageous to the company and its shareholders.

### **Allocation and the terms and conditions of the warrants in general**

A maximum of 827 000 warrants are proposed to be issued in a programme directed to 26 members of the management and key employees. The warrants will, except with respect to employees in France, be allocated to employees in so-called units, where each unit consist of one (1) warrant for which the market price shall be paid (calculated in accordance with the Black & Scholes model, taking dividends resolved upon at the 2014 annual general meeting into consideration) and one (1) warrant for which no payment shall be made. Employees in France will pay market price (calculated in accordance with the Black & Scholes model, taking dividends resolved upon at the 2014 annual general meeting into consideration) for all allocated warrants. The participants in the incentive programme are divided into four categories, where the persons in each category are allocated warrants in accordance with the below:

Category	With payment*	Without payment*	Total max number	No of persons in category
1 - CEO	100 000	100 000	200 000	1
2 - Group mgmt	32 500	32 500	65 000	5
3 - Regional managers and others	13 500	13 500	27 000	3
4 - Others	6 500	6 500	13 000	17

\*Subscription of so-called units is only applicable for employees outside of France. For employees in France, payment shall be made for all warrants such employee subscribes for. This entails that not more than 585 000 warrants in total may be subscribed for against payment and not more than 241 500 in total without payment, assuming subscription in full in accordance with the above and thus no subscription by Doro Incentive AB.

Warrants will firstly be subscribed for by the participants of the incentive programme directly. Secondly, to the extent not subscribed for by such participants, subscription may be made by Doro Incentive AB, a wholly-owned subsidiary of Doro AB, in order to enable subsequent transfers as part of the incentive programme to a limited number of new employees on economic terms and conditions corresponding to those of the employees who subscribe for warrants directly.

Each warrant entitles the holder to subscribe for of one share in Doro AB during the period from and including 16 February 2017 up to and including 16 March 2017 at a subscription price corresponding to 125 per cent of the volume-weighted average price of the Doro share on NASDAQ OMX Stockholm during the period from (and including) 19 May 2014 until (and including) 23 May 2014. The subscription price calculated in accordance with the above shall be rounded off to the closest even 10 öre (SEK 0.10) multiple, where 5 öre (SEK 0.05) shall be rounded off upwards.

The warrants shall be subscribed and paid for not later than 30 May 2014. However, the board of directors shall be entitled to extend the period for subscription and payment.

The subscription price and the number of shares that each warrant entitles subscription for shall be recalculated in the event of a share split, a reversed share split, new share issues etc in accordance with customary terms and conditions for recalculation. The warrants may in accordance with customary terms and conditions be exercised in advance in case of, among other things, compulsory redemption of shares, winding-up of the company or a merger through which Doro AB is absorbed by another company.

A prerequisite for holding and exercising the warrants is that the holder is still an employee of the Doro group. The holder enters into a right of first refusal agreement with Doro Incentive AB entailing a repurchase right in case of termination of employment or in case the warrant holder wishes to transfer its warrants to a third party. Further, the warrants are pledged to Doro Incentive AB as security for the fulfillment of the warrant holder's obligations under the right of first refusal agreement.

#### **Dilution and costs**

The proposal of the board of directors to issue warrants entails a maximum aggregate dilution of approximately 4,0 per cent.

Assuming an issue and allocation in full of the proposed warrants and that the market value per warrant corresponds to approximately SEK 3, the total costs of the Doro group are estimated to amount to a maximum of SEK 1,3 million.

#### **Majority requirements**

Adoption of the resolution requires the approval of shareholders representing at least nine-tenths of the votes cast as well as the shares represented at the annual general meeting.

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The annual report and the complete proposals and statements of the board in accordance with the Swedish Companies Act, including auditor's statements, will be held available at the company's office at the address above and on its website, [www.doro.com](http://www.doro.com), no later than three weeks before the annual general meeting. These documents will also be sent to shareholders that so request and inform the company of their postal address. The board of directors' complete proposal regarding item 19 will also automatically be sent to all shareholders that have notified the company of their participation in the annual general meeting and have informed the company of their postal address. The nomination committee's proposals, explanatory statement and the principals for appointing the principles for the appointment of the nomination committee will be available at the company's website, [www.doro.com](http://www.doro.com).

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*The shareholders are welcomed to the meeting!*

Lund in April 2014

**Doro AB (publ)**

*The board of directors*