

**Board of Directors' Proposed Resolutions etc.
Annual General Meeting of Bulten AB (publ)
26 April, 2018**

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Item 10 – The Board’s proposal of disposition of earnings and establishment of the date of dividend

Proposed disposition of earnings

The Board proposes that the profits at the disposal of the Annual General Meeting amounting to SEK 1,014,277,590.65 shall be allocated as follows:

Dividend to shareholders of a total of SEK 3.75 per share giving entitlement to dividend	SEK 76,348,901.25
Be carried forward to a new account	<u>SEK 937,928,689.40</u>
Total	SEK 1,014,277,590.65

It is proposed that 30 April 2018 be the settlement date for the dividend. If the AGM agrees to the Board’s proposal, payment via Euroclear Sweden AB is expected to be completed by 4 May 2018.

The company has in total 21,040,207 shares, of which 680,500 shares are owned by the company as of the date of the notice of the annual general meeting. The proposed dividend of 91,618,681.50 to be distributed on 20.359.707 shares that bear entitlement to receive the dividend.

The Board’s statement in accordance with Chapter 18, section 4 of the Swedish Companies Act is enclosed (Appendix 1).

Göteborg, March 2018
Bulten AB (publ)
The Board of Directors

Item 15 – The Board’s proposed resolution regarding guidelines for remuneration for senior management

The Board proposes that the AGM decide on the following guidelines for remuneration and other terms and conditions of employment for the Company’s senior management.

Guidelines for remuneration for senior management

These guidelines for remuneration to senior management encompass salaries and other terms and conditions for the management group of Bulten, including the CEO. The guidelines shall be applied to all agreements signed, or amendments to existing agreements, in accordance with the guidelines adopted at the AGM of Bulten.

Basic principles

Salaries and other terms and conditions of employment shall be such that the Group can constantly attract and retain competent senior managers at a reasonable cost to the Company.

Remuneration within the Group shall be based on the positions character, performance, competitiveness and fairness. Different remuneration components are applied to a varying degree to reflect these principles. The Group therefore uses a combination of several components to reflect the remuneration principles in a balanced way in the total compensation.

Remuneration for senior management comprises a fixed salary, variable remuneration, pension and other benefits. The Annual General Meeting may also, if a resolution has been made to this effect, submit an offer of a long-term incentive program such as a share or share price related incentive program.

The details of the total remuneration for each financial year are described in the Annual Report of each Company and in the Group’s Annual Report.

Fixed salary

Each senior manager shall be offered a fixed salary in line with market conditions and based on the senior manager’s responsibilities, expertise and performance. The salary shall be confirmed each calendar year.

Variable pay and incentive programs

Each senior executive may, from time to time, be offered variable salary (performance-based bonus) to be paid in cash. Such a bonus may amount to a maximum of 60% of the annual fixed salary of the CEO, and a maximum of 40% of the annual fixed salaries of other senior managers.

Bonuses shall primarily be based on developments in the Bulten Group as a whole or on developments for unit for which the person in question is responsible. The performance targets should be related to growth, operating profit before interest and tax depreciation (EBIT) and parameters related to return on capital employed (ROCE). Such targets shall be prepared by the Remuneration Committee and determined by the Board. Any bonuses and reasons for bonuses shall be established for each financial year.

The cost of variable remuneration to senior executives according to the Board's proposal is calculated based on current remuneration levels and can at a maximum outcome, which assumes that all remuneration-based targets are met, will amount to a total of approximately SEK 7 million excluding social security contributions. The calculation is based on the nine persons currently included in Group Management and with current salary levels. The costs may change if the number of people in the group management changes.

Ahead of every Annual General Meeting the Board shall consider whether or not to propose a share or share price related incentive program to the AGM. It is the AGM that decides on such incentive programs. Incentive programs are intended to contribute to long-term value growth and to ensure that shareholders and employees have a common interest in the share's value growth.

It shall be possible to offer senior executives a similar incentive as that contained in the share incentive scheme or share price incentive scheme, if such schemes shall prove to be impractical for tax reasons in a country where a senior executive is resident, or if such participation in the company's assessment is not possible at reasonable administrative cost or using reasonable economic resources. Costs for the company, the investment, the incentive and the financial outcome for such senior executives shall under such conditions substantially correspond to the outcome of the share or share price related incentive program.

Non-monetary benefits

Senior managers are entitled to medical insurance and, to the extent it remains in the ITP plan, health insurance. Furthermore, senior managers may be offered extra health insurance in exchange for a pay deduction. Senior managers shall also be offered relevant benefits offered to the Group's other employees.

Senior managers may be offered other customary benefits such as company car, occupational healthcare, for example.

Pension

Senior managers may be offered a defined contribution pension agreement based on premiums which amount to a maximum of 35% of the fixed salary on an annual basis, (in addition there are pension benefits to which senior managers are entitled in accordance with ITP plans). In the defined contribution pension agreement, the pension will correspond to the sum of the premiums paid and any return, rather than a guaranteed pension level. There is no set time for retirement within the framework of the defined contribution pension plan.

Some senior managers domiciled in Sweden have previously had defined benefit pension plans, although most of them have renegotiated the plans to the new defined contribution system. Senior managers domiciled outside of Sweden may be offered pension solutions that are competitive in the country in which the persons are or have been domiciled or to which they have a significant link, primarily defined contribution solutions. Defined benefit pension solutions shall always be avoided where possible.

Period of notice and severance pay

Senior managers domiciled in Sweden the main rule for the employee and the employer is a notice period of six months, however at a maximum of 12 months. Severance pay, in addition to

salary during the period of notice, shall be paid and, together with the fixed salary during the period of notice, shall total a maximum of 18 months' salary.

Personnel domiciled outside of Sweden or who are domiciled in Sweden but have a significant link to another country or have been domiciled in another country may be offered periods of notice and severance pay that are competitive in the country in which the persons are or have been domiciled or to which they have a significant link, primarily solutions equivalent to those for senior managers domiciled in Sweden.

The Board of Directors' preparations and decision-making

The Board of Directors' remuneration committee proposes, and the Board decides on, salaries and other terms and conditions for the CEO, the Executive Vice President and the CFO, as well as other senior managers.

The Company's auditor shall inspect the application of these guidelines each year in accordance with applicable regulations. The auditor's report shall be made available to the AGM.

Remuneration of Directors

If elected board members perform work that goes beyond the Board's work, they should be able to receive a fee for such work. Compensation should be adjusted to the conditions on the market and must be approved by the Board.

Deviations from the guidelines

The Board of Directors shall be entitled to deviate from the guidelines if, in an individual case, there are particular grounds for the deviation.

Information about previously decided remuneration

Previously decided remuneration for management which has not fallen due for payment comes within the framework of the guidelines and is dealt with in the 2017 Annual Report for the Company and/or the Annual Report of the relevant company within the Group.

Deviations from the guidelines for remuneration to senior executives

The Board shall be entitled to deviate from the guidelines if there are specific reasons for the deviation in the individual case. In 2017, the Board used the mandate to deviate from the guidelines established by the 2017 Annual General Meeting in a case where a senior executive received a one-time compensation for its extraordinary efforts, which meant that the total variable remuneration in relation to the fixed salary for this totaled 42.2% instead for a maximum of 40%.

Majority requirement

The resolution regarding adopting the Board's proposed guidelines for remuneration for senior management requires the approval of shareholders representing more than one-half of the votes cast in order to be valid.

Gothenburg, March 2018

Bulten AB (publ)

Item 17, the Board's proposal for a decision on authorisation for the Board to decide on acquisition of the company's own shares and to decide on transfer of the company's own shares.

(a) Decision to authorise the Board to decide on the acquisition of the company's own shares

The purpose of the authorisation for the acquisition of the company's own shares is to give the Board greater freedom of action and the ability to continuously adapt the company's capital structure and thereby contribute to increased shareholder value while also enabling the Board to exploit attractive acquisition opportunities by fully or partially financing the acquisition of companies, business or assets with the company's own shares. The aim is also to ensure that the company can fulfill its obligations to participants in the long term incentive program that the Annual General Meeting in 2016 decided to impose and which runs until 2019 (the "Program") and to enable transfers of own shares to cover social fees associated with the Program.

In light of the above, the Board proposes that the Annual General Meeting authorises the Board to decide on the acquisition of the company's own shares on the following terms:

- (a) Acquisition shall take place on Nasdaq Stockholm ("The Exchange").
- (b) Acquisition shall be on one or more occasions before the 2019 Annual General Meeting.
- (c) The total amount of acquired shares after the acquisition can in total amount to no more than one tenth of all shares in the company.
- (d) Acquisition on the Exchange shall solely be at a price per share that lies within the registered share price range at that time, or in the event that the Board assigns an Exchange member to accumulate a specific amount of the company's shares in its own holding for a specific period at a price per share within the price range at that time or corresponding volume-weighted average share price.
- (e) Payment for the company's own shares shall be made in cash.
- (f) Upon acquisition the applicable regulations of the Exchange shall be observed.

The Board has in connection with the proposal submitted observations on Justification for under Chapter 19. Section 22 of the Companies Act, which is annexed to the proposal (Appendix 1).

(b) Decision to authorise the Board to decide on the transfer of the company's own shares

The purpose of the authorization to transfer the company's own shares is in the corresponding way to give the Board greater freedom of action and opportunity to continuously adapt the company's capital structure and thereby contribute to increased shareholder value. Furthermore the purpose is to enable the Board to utilise attractive acquisition opportunities by fully or partly financing the acquisition of companies, business operations or assets using the company's own shares. The authorization is also intended to allow the transfer of the Company's own shares to cover social security costs associated with the Program.

The Board proposes that the Annual General Meeting authorises the Board to decide on the transfer of the company's own shares on the following terms:

- (a) Transfer may take place on the Exchange and/or in another way with or without deviation from shareholders' preferential rights and with or without conditions concerning acquisition in kind, offsetting of receivables against the company or other conditions.
- (b) Transfer may take place on one or more occasions prior to the 2019 Annual General Meeting, of a maximum of all of the shares that the company owns at the time of the transfer decision. Transfer to cover social security costs for the program may cover a maximum of 50,000 shares
- (c) Transfer of shares on the Exchange may only be made at a price per share that is within the registered price range at the time.
- (d) Transfer that is made otherwise may be at a price that corresponds to the price in money or value of received property that corresponds to the share price at the time of transfer for the shares transferred with deviation considered suitable by the Board.
- (e) As regards the transfer in order to cover social security costs for the Program transfer may only be effected at The Exchange for cash payment.
- (f) The Board retains the right to set other terms for the transfer.

The possibility for deviation from shareholders' preferential rights in the transfer of the company's own shares and the reason for a transfer price is justified by the fact that transfer of shares on the Exchange or other manner with deviation of shareholders' preferential rights can be done with greater speed, flexibility and is more cost-effective than transfer to all shareholders. Furthermore the purpose is to enable that the best possible terms can be secured for the company while also giving the Board freedom of action in connection with the acquisition of a company, operations or assets. If the company's own shares are transferred for a consideration in other form than money in connection with an agreement to acquire a company, operations or assets the company cannot give shareholders the possibility to exercise any form of preferential rights.

Both the 680,500 shares which at the date of the notice to the Annual General Meeting held by the company, and the shares acquired pursuant to the General Meeting under item (a) above, is proposed to be transferred in accordance with this authorization.

The maximum number of shares that can be transferred in line with the above may be recalculated in the event that a bonus share issue (with the issue of new shares), split or a merger occurs in the company, or if any other event that causes a recalculation of the shares to be transferred to participants, in accordance with the terms of the share Program.

The Board intends to propose at future AGMs, a resolution authorizing the Board to resolve the transfer of the company's own shares on the stock exchange, to cover social security costs associated with the Program.

Others

Bulten holds 680,500 shares at the date of the notice to the Annual General Meeting in 2018, corresponding to appr. 3.23 percent of all shares in the company.

Majority requirement for decision

For a decision to be valid for each of the proposals above it is required that the decision is supported by shareholders representing at least two-thirds of the votes cast and the shares represented at the AGM.

Göteborg, March 2018
Bulten AB (publ)
The Board of Directors

Item 18 - The Board's proposal for decision to authorise the Board to decide on new share issue

The Board proposes that the Annual General Meeting resolves to authorise the Board, up to the time of the next Annual General Meeting, on one or more occasions, to decide on a new issue of shares, subscription options and/or convertibles.

The issue may be with or without deviation from the preferential rights of shareholders.

The reason for the proposal and for deviating from shareholders' preferential rights and/or the possibility to decide on the issue with conditions concerning acquisition in kind, offset or other conditions, is to give the Board flexibility in the work of financing or enabling an accelerated expansion and development of the Group, its markets and products, such as the acquisition of companies, operations or assets for which payment in full or part shall be with newly issued shares and/or enable the Board to quickly raise capital for such acquisition.

The number of shares to be issued with such authorisation or which may arise through utilisation of options and conversion of convertibles issued with the authorisation shall be a maximum of 1,052,010 shares, which at full authorization represents a dilution of around 5% of all shares in the company, at the time of convening the Annual General Meeting 2018.

The number of shares that maximum may be issued based on the authorization and may be issued through the exercise of options and conversion of convertible bonds issued under the authorization may be recalculated in the event of a bonus issue (with the issuance of new shares), split or reverse split occurs in company.

Issues shall be on market-related terms. The Board retains the right to establish other terms for the issues.

Authorisation for adjustments

The Board or a representative appointed by the Board is authorised to make minor formal adjustments of decisions that may prove necessary in connection with registration with the Swedish Companies Registration Office.

Majority requirement for decision

For a decision to be valid it is required that the proposal is supported by shareholders representing at least two-thirds of both votes cast and shares represented at the Annual General Meeting.

Göteborg, March 2018
Bulten AB (publ)
The Board of Directors

Appendix 1: The Board's statement pursuant to Chapter 18, section 4 and Chapter 19, section 22 of the Swedish Companies Act regarding

Board's statement pursuant to Chapter 18, section 4 and Chapter 19, section 22 of the Swedish Companies Act regarding

The Board makes the following statement pursuant to Chapter 18, section 4 and Chapter 19, section 22 of the Companies Act in respect of the proposed for resolution on the dividend and the proposed resolution on the authorization to acquire own shares.

The type and scope of the business are explained in the articles of association and published annual reports. The type and scope of the business conducted by the company and Group companies do not entail more risks than the general risks that are associated with conducting business of this type or than arise or can be assumed to arise in the industry. The Company's and the Group's business cycles do not differ from that of other companies in the industry. Regarding essential events refer to what is stated in the Directors' Report in the Annual Report for fiscal year 2017. Since then, no significant events occurred that affect the company's ability to pay dividends.

The company's and Group's financial positions as of 31 December 2017 are presented in the 2017 annual report. The aforementioned annual report also describes the principles applied for the valuation of assets, provisions and liabilities. No assets and liabilities of the parent company or the Group are measured at fair value pursuant to Chapter 4 section 14 of the Swedish Annual Accounts Act. No modifications of the restricted equity have occurred after the balance sheet date.

Bulten has an objective to pay out in dividends to shareholders over time around one third of net earnings after tax. Consideration shall be given to Bulten's financial position, cash flow and outlook. The proposed dividend of in total SEK 3.75 per dividend-entitled share, a total of SEK 76,348,901.25 (amount calculated as of the date of the notice for the Annual General Meeting based on the company holding 680,500 of its own shares) corresponds to around 47 per cent of net profit after tax and is 6.8 per cent of the company's equity and 5.2 per cent of the Group's equity. The proposed dividend reduces the company's equity/assets ratio from 75.1 per cent to 73.8 per cent and the Group's equity/assets ratio from 66.8 per cent to 65.6 per cent, calculated as of 31 December 2017.

The proposed buy-back of the company's own shares means that the Board would be authorized to acquire as a maximum an amount of shares such that the company's holding of its own shares is not more than one tenth of all shares in the company. At maximum utilization of the buy-back authorization, 2,104,020 shares may be acquired (without taking into account that the company has already of the date of the notice of the Annual General Meeting repurchased 650,800 shares). The cost of these share buy-backs, based on a price using the share price on the date of the notice of the 2018 Annual General Meeting (SEK 108.60), amounts to SEK 228,496,572, which is 20.3 per cent of the company's equity and 15.7 per cent of the Group's equity. The buy-backs would reduce the company's equity/assets ratio from 75.1 per cent to 70.6 per cent and the Group's equity/assets ratio from 66.8 per cent to 62.9 per cent, calculated as of December 31, 2017.

The proposed dividend combined with full utilization of the authorization to buy back the company's own shares reduces the company's equity/assets ratio from 73.1 per cent to 66.2 per cent and the Group's equity/assets ratio from 68.9 per cent to 62.8 per cent, calculated as of 31 December 2016.

The company's and the Group's equity/assets ratios do not deviate from what is normal in the industry. The company has good liquidity.

According to the Board's assessment, the company's and the Group's equity, after both payment of the full dividend and after full utilization of the authorization to buy back the company's own shares, will be sufficiently large in relation to the nature, scope and risks in the business.

It is the Board's assessment that neither the proposed dividend nor the full utilization of the authorization to buy back the company's own shares will compromise performance of the investments deemed necessary, nor do they compromise the company's or the Group's ability to fulfil present and future payment obligations in a timely manner. The company's and the Group's liquidity forecasts contain preparedness to cope with variations in current payment obligations.

The company's and Group's financial position does not give rise to any other conclusion than that the company and Group after payment of the proposed dividend and full utilization of the authorization to buy back the company's own shares can continue its business and that the company and Group can meet their obligations in the short and long term.

With reference to the above and that which has otherwise come to the attention of the Board, the Board considers that the proposed dividend and full utilization of the authorization to buy back the company's own shares is justifiable considering the demands that the nature, scope and risks of the business place on the company's and the Group's equity and the company's and the Group's consolidation requirements, liquidity and general position.

Göteborg, March 2018

Bulten AB (publ)

The Board of Directors