

Annual general meeting

Brødrene Hartmann A/S
8 April 2015

Agenda

1. Report from the Board of Directors on the company's activities in the past financial year
2. Presentation of the audited annual report for approval
3. Resolution on the discharge from liability of members of the Executive Board and the Board of Directors
4. Resolution on the distribution of profit or the cover of loss in accordance with the approved annual report
5. Election of members to the Board of Directors
6. Approval of compensation policy
7. Approval of the remuneration to the Board of Directors for 2015
8. Election of auditor
9. Proposal from the Board of Directors for an authorisation to acquire treasury shares
10. Proposal from the Board of Directors for amendment of the Articles of Association as follows:
 - 10.a Amendment of Articles 12a.1 – 12a.4 and article 8.1 concerning electronic communication
 - 10.b Amendment of Articles 9.4, 9.5, and 9.6 concerning full details of voting
 - 10.c Amendment of Article 12.12 concerning proxy
11. Proposal from the Board of Directors to authorise the Chairman of the meeting with full right of substitution to file resolutions passed at the general meeting for registration with the Danish Business Authority
12. Any other business

Items 1-4: Report, annual report, discharge and dividends

1. Report from the Board of Directors on the company's activities in the past financial year
2. Presentation of the audited annual report for approval
3. Resolution on the discharge from liability of members of the Executive Board and the Board of Directors
4. Resolution on the distribution of profit or the cover of loss in accordance with the approved annual report
 - Profit for the year: DKK 119 million (2013: DKK 86 million)
 - Recommendation for dividends for the financial year 2014: DKK 9.50 per share (2013: DKK 9.50 per share)
 - Payout ratio: 56% (2013: 78%)

Report from the Board of Directors 2014

- Highlights
- Developments in 2014
- Strategy for 2015-2017
- Outlook and financial targets
- Questions

Highlights

- Revenue growth and strengthened profitability
 - Positive developments across all business areas
 - Proposed dividends of DKK 9.50 per share (2013: DKK 9.50 per share)
- 2014 key milestones
 - North American expansion completed
 - Historically strong Q4
 - Agreement to acquire Sanovo Greenpack
 - Double-digit profit margin
- Updated strategy: 'Unpacking our potential'
 - Accelerated growth
 - Efficiency improvements
 - Opportunistic acquisitions

Outlook 2015

Revenue	DKK 2.0-2.1bn
Profit margin	10-11.5%

Targets 2017

Revenue	DKK 2.2-2.4bn
Profit margin	12-14%

References to operating profit and profit margin are before special items.

North America

Revenue: DKK 319 million (9%)

Profit margin: 18.7% (2013: 21.6%)

Higher sales and share of premium products

Capacity expansion contributed from Q4

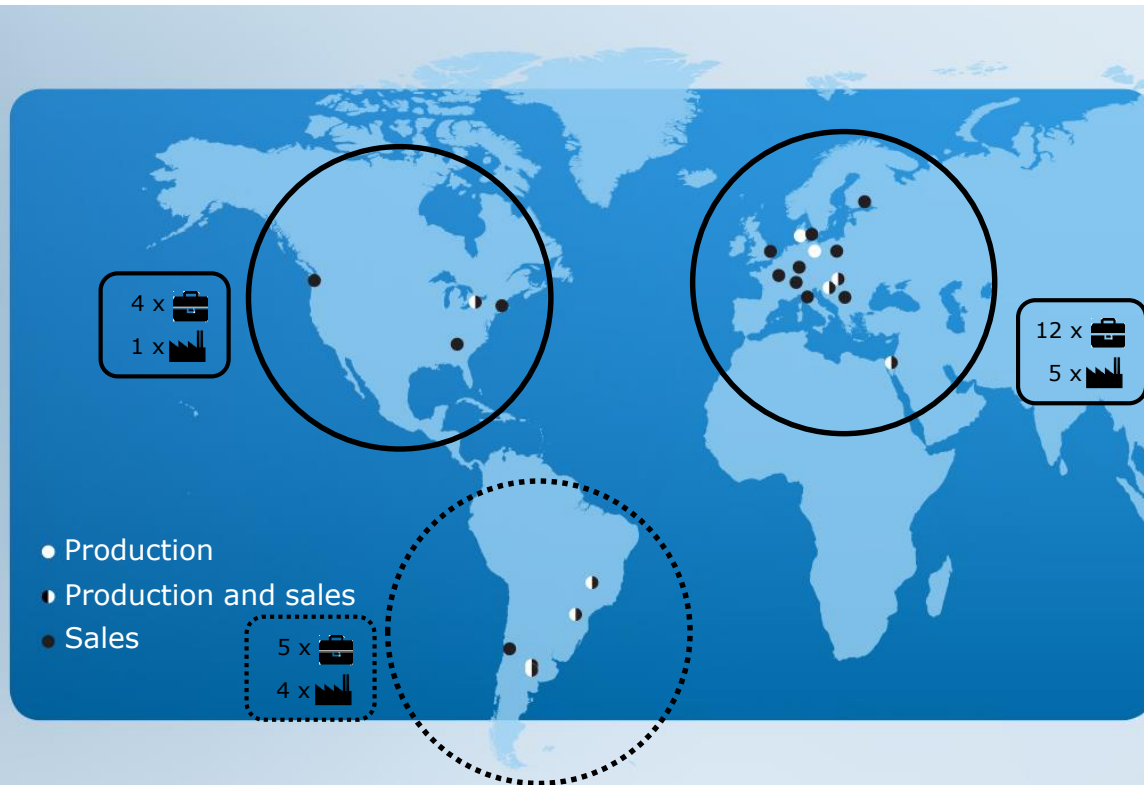
Europe

Revenue: DKK 1,296 million (1%)

Profit margin: 9.9% (2013: 8.5%)

Progress in retail sales and premium share

Strong development in Hartmann Technology



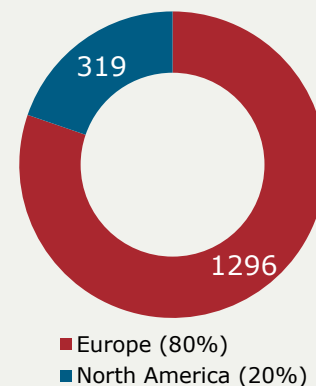
South American activities added to the group in January 2015

Strong development in 2014

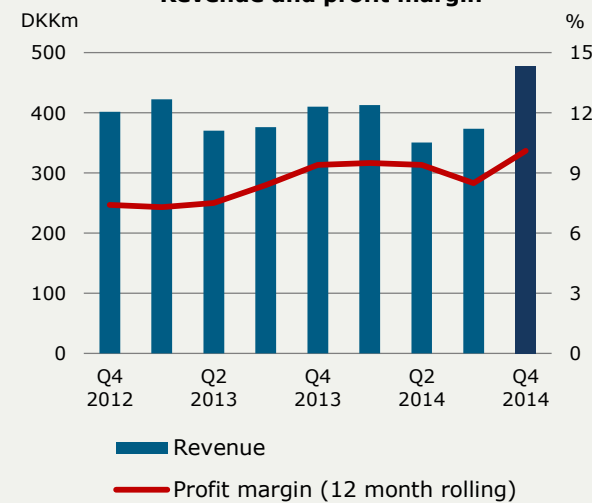
- Revenue growth due to higher retail sales
- Record profit margin of 10.1%
 - Higher retail sales and increased capacity contributed
 - Exceptionally strong Q4
 - Temporarily higher cost level from capacity expansion

DKKm	2014	2013	Change (%)
Revenue	1,615	1,579	2
Operating profit	163	148	10
Special items	(7)	(39)	(82)
Profit	119	86	38
Free cash flows (operating and investing)	43	66	(35)
Invested capital	736	689	7
Profit margin, %	10.1	9.4	-
ROIC, %	22.3	23.0	-

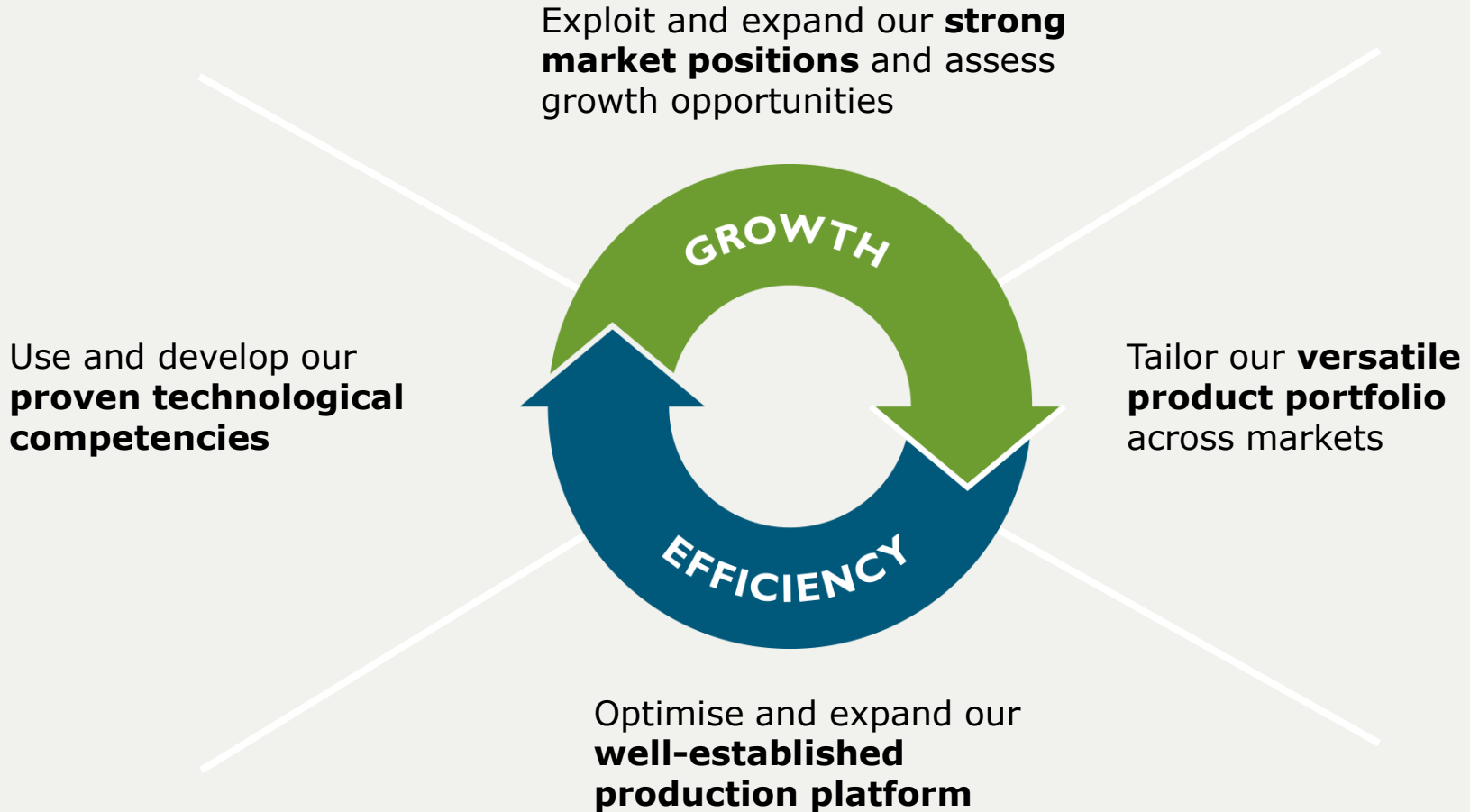
Revenue 2014 (DKKm)



Revenue and profit margin



Unpacking our potential – 2015-2017



Varying markets and approaches

Goal

Means

Actions

Europe



Improve profitability

- Higher retail and tray sales
- Optimise production platform
- Tailor product portfolio
- Reduce costs

Americas



Accelerate growth

- Accomodate increasing demand
- Expand production platform
- Exploit market positions
- Integrate South American activities
- Sell-out North American capacity

Technology



Maintain partnerships

- Profitable technology sales
- Build and explore partnerships
- Exploit market position
- Leverage technological competencies
- Maintain and develop common technological platform

Outlook and financial targets

Guidance for 2015 and new long-term targets

	Guidance 2015	Targets 2017
Revenue	DKK 2.0-2.1bn	DKK 2.2-2.4bn
Profit margin before special items	10-11.5%	12-14%

- 2015 guidance based on:
 - Addition of South American activities
 - Cost reductions
 - Improved capacity utilisation across all business units
- 2017 targets based on:
 - Efficiency improvements
 - Organic growth through improved utilisation and expansion of production network
- ROIC of 22% in 2017
- Impact of potential acquisitions is not included in Hartmann's targets

Questions

Items 1-4

- Approval of items 1-4
 1. Report from the Board of Directors
 2. Annual report
 3. Discharge from liability of members of the Executive Board and the Board of Directors
 4. Distribution of profit

Item 5: Election of members to the Board of Directors

- The Board of Directors proposes that the following shareholders-elected members be re-elected:
 - Agnete Raaschou-Nielsen
 - Niels Hermansen
 - Jørn Mørkeberg Nielsen
 - Steen Parsholt
- Employee-elected members are elected for four years (2014-2017)
 - Jan Peter Antonisen
 - Andy Hansen
 - Niels Christian Petersen

Item 6: Approval of compensation policy

- The Board of Directors has revised the company's compensation policy
 - The Board of Directors recommends that the shareholders in general meeting approve the revised compensation policy, which:
 - Ensures increased flexibility and allows for an ongoing adjustment of the targets in the Executive Board's bonus scheme by the Board of Directors
 - Going forward, gives the Board of Directors the possibility of reducing the extended notice of termination applying for members of the Executive Board to less than 24 months in connection with a change of ownership of a controlling interest in the company

Item 7: Approval of remuneration 2015

- Approval of the 2015 remuneration to the Board of Directors
 - The Board of Directors recommends that the board remuneration for 2015 be unchanged from 2014
 - Ordinary board members receive DKK 200,000 per member
 - Vice chairman and chairman receive this amount multiplied by 2 and 3, respectively
- Membership of the Audit Committee is compensated separately
 - Ordinary members of the Audit Committee receive remuneration equaling 50% of the board fee
 - The chairman of the Audit Committee receives remuneration equaling the full board fee. If, however, the chairman of the Audit Committee is also vice chairman of the Board of Directors, the remuneration equals 50% of the board fee

Item 8: Election of auditor

- The Board of Directors proposes re-election of
Deloitte Statsautoriseret Revisionspartnerselskab

Item 9: Authority to acquire own shares

- Proposal from the Board of Directors for the adoption of the following authority to acquire own shares
 - The Board of Directors is authorised to let the company acquire treasury shares at a maximum nominal value of DKK 14,030,180 in the period until the next ordinary general meeting at the price listed at the time of acquisition plus/minus a maximum 10 per cent

Item 10: Amendment of the Articles of Association – I

- The Board of Directors has proposed amendment of the Articles of Association as follows:
 - **10.a): Articles 12a.1-12a.4 and 8.1**

The Board of Directors has utilised the authorisation to introduce electronic communication between the company and its shareholders pursuant to Article 12a of the company's Articles of Association
 - **10.b): Articles 9.4, 9.5 and 9.6**

The articles concerning full details of the voting are proposed deleted as such provisions are already included in Danish company law
 - **10.c): Article 12.12**

It is no longer a requirement that proxies to the management of the company shall be limited to a maximum of one year and only be given for one specific general meeting with the agenda known in advance

Item 10: Amendment of the Articles of Association – II

- **Ad 10.a): Articles 12a.1-12a.4 and 8.1 are proposed amended as follows:**
 - 12a.1: "The company may use electronic document exchange and electronic mail as specified below in its communication with the shareholders."
 - 12a.2: "Notices convening the shareholders to ordinary and extraordinary general meetings, including the complete proposals for amendments to the Articles of Association, agenda, annual report, interim report, quarterly report, stock exchange announcements, minutes of general meetings, proxy forms, postal voting forms and admission cards as well as other general information from the company to the shareholders, may be sent electronically, including by email."
 - 12a.3: "The above documents, except for admission cards to the general meeting, shall be posted on the company's website. The company's website shall also contain information about the requirements to the systems used and the procedures applying to the use of electronic communication."
 - 12a.4: "The company shall request from the shareholders registered in the company's register of shareholders an electronic address to which the company may send notices etc. It is the individual shareholder's responsibility to ensure that the company is in possession of his or her correct electronic address."
 - 8.1: "General meetings shall be called by the Board of Directors at a notice of not more than five weeks and, unless a shorter notice is allowed under Danish company law, not less than three weeks. Convening notices shall be made in writing by letter or email (see article 12a) to the shareholders registered in the company's register of shareholders who have requested so, and shall also be communicated through the IT system of the Danish Business Authority. Convening notices shall also be posted on the company's website."

Item 10: Amendment of the Articles of Association – III

- **Ad 10.b): Articles 9.4, 9.5 and 9.5 are proposed deleted:**
 - Articles 9.4, 9.5 and 9.6 concerning full details of the voting are proposed deleted as such provisions are already included in Danish company law. In consequence, "Article 9.7" becomes "Article 9.4".
- **Ad 10.c): Article 12.12 is proposed amended as follows:**
 - "Shareholders shall be entitled to attend the general meeting by proxy. The proxy holder shall present a written and dated proxy. No restrictions in terms of time or otherwise shall apply to proxies."

Item 11: Chairman of the meeting

- Proposal from the Board of Directors to authorise the Chairman with full right of substitution, to file the adopted resolutions, including the amended articles of association with the Danish Business Authority and to make such alterations and additions to the resolutions passed as may be required for the registration of the said resolutions with the Danish Business Authority

Item 12: Any other business

- Any other business

Annual general meeting

Brødrene Hartmann A/S
8 April 2015