

On 17 March 2017 at 11:00 a.m., Solar A/S held its annual general meeting at Industrivej Vest 43, Vejen, Denmark.

Present were the company's Board of Directors, Executive Board and auditor.

Chairman of the Board of Directors, associate professor Jens Borum, welcomed the participants to the company's annual general meeting 2017.

1. Election of chairman of the meeting

The chairman of the Board of Directors proposed that attorney Bo Hulse be elected chairman of the general meeting. No alternatives were proposed, and attorney Bo Hulse was elected chairman of the meeting.

The chairman then stated that the annual general meeting had been legally convened under article 10.4 of the articles of association and in agreement with Nasdaq Copenhagen's rules for issuers, as the notice was published on the company's website on 21 February 2017. The chairman stated that 143 admission cards had been issued and a total of 106 admission cards registered; 74 of these were registered admission cards with voting rights and 32 registered admission cards without voting rights. Thus, total attendance was as follows:

	Share capital	Percent	Votes	Percent
Company totals found in articles of association	792,060,700		16,020,607	
Reduction for treasury shares	62,231,500		622,315	
Company totals less treasury shares	729,829,202	100.00%	15,398,292	100.00%
Represented at the annual general meeting	494,858,300	67.80%	13,048,583	84.74%

The chairman stated that the notice, total number of shares and voting rights at the date of the notice including the total number of shares for each share class, the company's Annual Report 2016 with consolidated financial statements, agenda as well as the proxy and postal vote forms have all been available on the company's website, www.solar.eu as of 22 February 2017.

The chairman then stated that annual general meeting had been lawfully convened and was competent to make decisions on the proposals made by the Board of Directors.

2. The Board of Director's review of the company's activities over the past financial year

3. Presentation and approval of the annual report with audited financial statements

4. Resolution on the allocation of profits in accordance with the approved annual report. The Board of Directors then proposes dividends distribution of DKK 88m for the financial year 2016, equalling DKK 12.00 per share of DKK 100

Items 2, 3 and 4 were handled as one. Chairman of the Board of Directors Jens Borum and CEO Anders Wilhjelm made their reports and referred those in need of more detail to the published report.

Afterwards, CFO Michael H. Jeppesen reported on the financial statements published and the proposed distribution of profits with dividends distribution of DKK 12.00 per share and commented on both the financial statements and distribution of profits.

Flemming Kjærulf, a representative of the Danish shareholders' association Dansk Aktionærforening (DAF), then asked to speak. DAF thanked Solar for a systematic and informative annual report. DAF expressed disappointment with the annual report only being available on the website in English even though DAF at last year's general meeting suggested to have a more elaborate summary in Danish. In return, DAF commended Solar for having taken DAF's feedback from 2016 on the risk management section into account and included a good description of Solar's general risk management concept. Especially the description of risk appetite within the different functions of the company received credit as well as the fact that description of the individual risk factors, their impact on Solar in particular, and, finally, descriptions on how to mitigate the risks were clear and precise. DAF recommended that the company's risk management description be updated on the website so that it is consistent with the annual report. DAF supports the company's target on profitable growth, but in 2016, revenue increased by 4.6%, while gross and net profit dropped by approx. 6%. DAF

would not call this a bad result but was pleased that the expectations for 2017 are pointing in the right direction again. Flemming Kjærulf requested an elaboration on the DKK 20m expense for structural changes that is included in the expectations for 2017. DAF suggested that the two new candidates for the Board of Directors, Louise Knauer and Jesper Dalsgaard, who have been nominated by the Fund of 20th December, introduce themselves, including how they will contribute to the future development of the company. As this was not practically possible, DAF accepted that the chairman of the Fund of 20th December presented the candidates. Solar's notice of the annual general meeting was published solely on the website. Thus, DAF was interested in knowing the share of registered shareholders on which the company currently has email addresses and what is done by the company to increase this share. As mentioned in previous years, DAF is opposed to the use of share classes and recommends that these are abolished, as DAF finds share classes unreasonable – A shareholders have the power, and B shareholders run the risk. According to DAF, this causes many market participants to deselect the company, and therefore, the share price will not get to reflect the company's business potential. In 2015, Solar went on roadshows to several countries. Flemming Kjærulf asked whether Solar has continued to market the share abroad in 2016 as well as how the division between registered Danish and foreign shareholders looks. DAF was pleased with the company's proposition to pay out DKK 12.00 in dividends per share, but finds that it should always be considered if the company might be better at providing returns on the cash position than the shareholders. With Solar's current gearing, DAF thinks that it will be possible to fund any attractive investments or acquisitions by loans, so this causes no concerns. DAF was pleased with Solar's corporate governance descriptions according to the "comply or explain" principle. Solar provides explanations in the cases where they deviate from the recommendations. However, DAF disagreed with one single thing; that is the opt-out of a nomination committee. In general, DAF were very satisfied with the achieved results as well as the reporting of them, considering the above-mentioned reservations.

The chairman of the Board of Directors Jens Borum informed that Solar, as described in the articles of association, prepares external communication, including the annual report, in English. We will continue to make Danish versions of all company announcements, including the one published in relation to the annual report. Solar maintains the Danish company announcements, as not all shareholders are comfortable with reading English. The company will reconsider if the company announcement should be even more informative but will not prepare a separate full summary in Danish. In relation to share classes the Board of Directors considers the current structure to be the most optimum for the company. This way, the Board of Directors is able to maintain a long-term perspective for the company and stay in control. This ensures that the company does not constantly have to take action in relation to takeover threats.

CFO Michael Jeppesen informed that the DKK 20m expense included in the expectations for 2017 are attributable to the closedown and optimisation of the central warehouses in Solar Sverige as well as expenses for further digitalisation, including implementation and training. In relation to electronic communication with shareholders, VP sent out a letter to all shareholders on behalf of Solar, requesting them to register their email address. Thus, Solar now has email addresses on approximately 30 % of the shareholders. Solar continuously works to improve our electronic communication, and shareholders still have the possibility to register their email address via the InvestorPortal on the company's website, which the company encourages them to do. In relation to the marketing of Solar's share, the Executive Board has been in Amsterdam, Brussels, Paris, Zürich and Geneva in 2016, and has held regular telephone conferences with foreign investors. The presentations from the roadshows are available at www.solar.eu. Furthermore, Solar has participated in a number of investor seminars in Denmark. Also, the Executive Board is always available to investors and analysts in connection with the publication of quarterly and annual reports. Regarding the percentage of foreign shareholders, 7 % of Solar's shareholders are from abroad and own approx. 30% of the share capital.

The review was approved and the chairman of the meeting then found that the annual report and distribution of profits had been approved.

5. Proposals from the Board of Directors:

5.1 Authority to distribute extraordinary dividends

The Board of Directors proposes that it be authorised to pass a resolution to distribute extraordinary dividends of up to DKK 15.00 per share for the period until the next annual general meeting. No one wished to comment on the proposal and no shareholder asked for the proposal to be put to a vote.

Thus, the chairman found that the proposal was approved.

5.2 Authority to acquire treasury shares

The Board of Directors also proposes that it be authorised to allow the company to acquire treasury shares for payment for the period until the next annual general meeting. It was proposed that authorisation be granted to acquire up to 10 % of the share capital with the price set at the current listed price +/- 10 %.

No one wished to comment on the proposal and no shareholder asked for the proposal to be put to a vote. Thus, the chairman found that the proposal was approved.

5.3 Reduction of the share capital

The chairman accounted for the company owning treasury shares corresponding to 7.9% of the company's share capital. The proposal to reduce share capital was made to ensure a balanced capital structure in the company. On these grounds, the Board of Directors proposed to reduce the share capital by nominally DKK 17,498,200 treasury shares.

The chairman informed that the Board of Directors proposed to reduce the company's B share capital by nominally DKK 17,498,200 from nominally DKK 792,060,700 to nominally DKK 774,562,500, corresponding to a reduction of the B share capital of 174,892 shares of DKK 100 by cancelling treasury B shares.

The purpose of the reduction of the B share capital was payment to the shareholders, cf. article 188, subsection 1, no. 2 of the Danish Companies Act. The payment took place in connection with the purchase of treasury shares.

Further information on the time of the purchase and the purchase price was contained in the notice. It stated that the B shares were repurchased in the period from 23 November 2015 to 30 June 2016 at a total of DKK 66,069,279, corresponding to an average share price of DKK 377.58.

Apart from the nominal capital reduction, the proposal also contained a payment to the shareholders of DKK 66,069,279, cf. article 188, subsection 2 of the Danish Companies Act.

As a consequence of the proposal of the Board of Directors to reduce share capital, the Board of Directors proposed an alteration to articles 3.1 and 3.2 of the articles of association, which would affect the implementation of the capital reduction. The following wording was proposed:

"The company's total share capital is DKK 774,562,500 divided into shares of each DKK 100.00 and multiples thereof."

"The share capital is divided into DKK 90,000,000 A shares and DKK 684,562,500 B shares. The share capital is fully paid up."

No one wished to comment on the proposal and no shareholder asked for the proposal to be put to a vote. Thus, the chairman found that the proposal was approved.

5.4 Authorisation for the Board of Directors to implement a capital increase

The Board of Directors is authorised to increase the share capital one or more times until 1 April 2019 by new issues of B shares of up to DKK 70,206,000 with or without pre-emption rights for current shareholders. As a consequence of the reduction of the share capital by cancelling treasury shares, the Board of Directors proposes that the authorisation is changed to DKK 68,456,000, which will entail a change to articles 9.1, 9.2 and 9.4 of the company's articles of association.

No one wished to comment on the proposal and no shareholder asked for the proposal to be put to a vote. Thus, the chairman found that the proposal was approved.

6. Proposal for the Board of Directors' remuneration

The Board of Directors proposes that remuneration for the Board of Directors for 2017 amounts to DKK 175,000.

The chairman of the Board of Directors will receive triple remuneration, and the vice chairman of the Board of Directors and the chairman of the Audit Committee will receive one and a half times the remuneration as compensation for their extended duties.

No one wished to comment on the proposal and no shareholder asked for the proposal to be put to a vote.

Thus, the chairman found that the proposal was approved.

7. Election of members to the Board of Directors

The Fund of 20th December proposes re-election of the current board members elected by the annual general meeting: Jens Borum, Niels Borum, Ulf Gundemark and Jens Peter Toft, and new election of Louise Knauer and Jesper Dalsgaard.

Under article 15.1 of the articles of association, the full board elected by the general meeting resigns each year, and thus, article 15.1 states, a board consisting of 4-8 directors must be elected. The chairman found that there were no other director candidates and the proposed directors were elected without a vote.

8. Election of auditor

The Board of Directors proposes re-election of PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab.

The chairman found that no other auditor was proposed and PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab, was elected without a vote.

9. Authorisation to the chairman of the meeting

The Board of Directors proposed that the general meeting authorised the chairman of the meeting (with power of delegation) to register the resolutions approved by the annual general meeting with the Danish Business Authority and to make any such alterations and additions as may be required by the Danish Business Authority in order to register the resolutions passed.

No one wished to comment on the proposal and no shareholder asked for the proposal to be put to a vote. Thus, the chairman found that the proposal was approved.

10. Any other business

Chairman of the Board of Directors Jens Borum thanked the outgoing board members for a good collaboration, those in attendance for a pleasant meeting and the chairman of the meeting for competent and reliable meeting management.

The meeting was closed.

So passed:

Bo Holse
Chairman of meeting
17.03.2017