



PRESSRELEASE

Stockholm November 3, 2016

NOTICE TO ATTEND THE EXTRAORDINARY GENERAL MEETING IN CLX COMMUNICATIONS AB (PUBL)

The shareholders in CLX Communications AB (publ), reg. no. 556882-8908 (the "Company"), are hereby given notice to attend the extraordinary general meeting at 2 p.m. on Monday 5 December 2016 at the conference room Sears Tower, Färögatan 33, 164 51 Kista, Stockholm. Registration for the meeting commences at 1:30 p.m.

NOTICE

Shareholders wishing to participate in the meeting must be entered in the shareholders' register, kept by Euroclear Sweden AB, on the record date which is Tuesday 29 November 2016 and notify the Company of their attendance no later than Tuesday 29 November 2016. Notification can be made via letter to CLX Communications AB, Box 1206, 164 28 Kista or by e-mail to egm2016@clxcommunications.com.

The notification shall include full name, personal identification number or corporate registration number, address and daytime telephone number and, where applicable, information about representatives, proxies and assistants. When given notice about the number of assistants, the above date and address etc. applies. The number of assistants may not be more than two (2). In order to facilitate entry to the meeting, notification should, where applicable, be accompanied by powers of attorney, registration certificates and other documents of authority.

Personal data obtained from the share register kept by Euroclear Sweden AB, notices and attendance at the meeting and information on representatives, proxies and assistants will be used for registration, preparation of the voting list for the meeting and, where applicable, the minutes of the meeting.

NOMINEE REGISTERED SHARES

Shareholders who have their shares registered in the name of a nominee must request temporary entry in the share register kept by Euroclear Sweden AB in order to be entitled to participate in the meeting. The shareholder must inform the nominee well in advance before Tuesday 29 November 2016, at which time the register entry must have been made in order for the shareholder to be entitled to participate in the meeting.

PROXY

A shareholder represented by proxy shall issue a power of attorney which shall be dated and signed by the shareholder. If issued by a legal entity the power of attorney shall be accompanied by a verified copy of the registration certificate or, if not applicable, equivalent documents of authority. Power of attorney forms for those shareholders wishing to participate by proxy are available on the Company's website www.clxcommunications.com.

Well in advance before the meeting a copy of the proxy and any registration certificate shall be sent to: CLX Communications AB, Box 1206, 164 28 Kista or by e-mail to egm2016@clxcommunications.com. The original version of the power of attorney shall also be presented at the meeting.

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 one or two persons to attest the minutes
6. Determination whether the meeting has been duly convened
7. The board of directors' proposal for resolution regarding incentive programme 2016 and issue of warrants and employee stock options
8. Closing of the meeting

THE BOARD OF DIRECTORS' PROPOSED RESOLUTIONS

Item 2 Election of chairman of the meeting

The board of directors proposes that Erik Fröberg is elected to be the chairman of the meeting.

Item 7 The board of directors' proposal for resolution regarding incentive programme 2016 and issue of warrants and employee stock options

Background and reasons

The Company does not currently have a share based incentive programme. In view of this, the board of directors proposes that the general meeting resolves to implement a long term incentive programme for senior executives and key employees within the CLX group ("LTI 2016"). The proposal to implement an incentive programme have been put forward as the board of directors determines that it is important and in the interest of the shareholders to create even greater participation for the key persons and senior executives within the group with regard to the group's development. It is also important to give reason for continued employment.

In the light of the above, the board of directors proposes that the general meeting resolves to implement the incentive programme LTI 2016 in accordance with item 7 (a) – 7 (c) below. The resolutions under item 7 (a) – 7 (c) below are proposed to be conditional upon each other and for that reason it is proposed that all resolutions are to be passed as one resolution. LTI 2016 is proposed to include up to a maximum of 73 senior executives and key employees within the CLX group.

Proposal regarding the adoption of LTI 2016 (item 7 (a))

LTI 2016 comprises six (6) series. Series 1-3 consists of warrants to be transferred to employees. The warrants of Series 1 have a vesting period of three (3) years, the warrants of Series 2 have a vesting period of (4) years and the warrants of Series 3 have a vesting period of five (5) years after which the holders is entitled to exercise the warrants to subscribe for shares during a period

of three (3) months after each series vesting period. Series 4-6 comprises of employee stock options.

The board of directors therefore proposes that the general meeting resolves to issue not more than 1,500,000 warrants, of which not more than 320,000 warrants may be issued in Series 1, not more than 320,000 warrants may be issued in Series 2, not more than 320,000 warrants may be issued in Series 3, not more than 180,000 warrants may be issued in Series 4, not more than 180,000 warrants may be issued in Series 5 and not more than 180,000 warrants may be issued in Series 6. The right to subscribe for the warrants of Series 1-6 shall belong to the wholly-owned subsidiary CLX Communications Holding AB (the "Subsidiary"), which shall transfer the warrants of Series 1-3 to employees of the Company and the group and hold warrants of Series 4-6 to ensure delivery of shares upon exercise of employee stock options in Series 4-6. Each warrant entitles the holder to subscribe for one (1) share in the Company. The warrants shall be issued without consideration to the Subsidiary.

Below is a description of the terms and conditions for each of the options Series 1-3 and 4-6.

Series 1-3 - Warrants

The Subsidiary will transfer the warrants in Series 1-3 to participants at a price corresponding to the market value of the warrant (the warrant premium).

Each warrant of Series 1-3 entitles the holder to subscribe for one (1) share during each Series call period at an exercise price corresponding to 150 per cent of the volume-weighted average price for the Company's share on Nasdaq Stockholm during the period commencing on 5 December 2016 up to and including 16 December 2016. However, the exercise price may not be less than the share's quota value of SEK 0.10. Day without price quotation shall not be included.

The call periods for exercising the warrants for subscription of shares under each Series are according to the following:

- Series 1: during the period commencing on 16 January 2020 up to and including 16 April 2020,
- Series 2: during the period commencing on 16 January 2021 up to and including 16 April 2021, and
- Series 3: during the period commencing on 16 January 2022 up to and including 16 April 2022.

The issued warrants of Series 1-3 shall, with deviation from the shareholders' preferential rights, be able to be subscribed for by the Subsidiary – a wholly owned subsidiary to the Company – whereafter this company shall offer the warrants to the participants. The transfer of the warrants in Series 1-3 shall be made at a price corresponding to the market value of the warrants (the warrant premium), calculated according to an established method of valuation (the Black & Scholes valuation model). The measurement period for the calculation of the warrant premium using the Black & Scholes valuation model shall commence on 5 December 2016 up to and including 16 December 2016. The valuation of the warrants shall be made by an independent appraiser or auditor firm. The Company shall in connection with the transfer of the warrants to the participants reserve a pre-emption right regarding the warrants if the participant's employment or assignment within the group is terminated or if the participant wishes to transfer its warrants.

Series 4-6 – Employee stock options (with warrants as hedging arrangement)

Each employee stock option entitles the employee to acquire one (1) share in the Company in accordance with the following terms and conditions:

- The employee stock options of Series 4-6 will be granted without consideration;
- The employee stock option of Series 4-6 entitles the holder to acquire one (1) share in the Company at an exercise price corresponding to 150 per cent of the volume-weighted average price for the Company's share on Nasdaq Stockholm during the period commencing on 5 December 2016 up to and including 16 December 2016. However the exercise price may not be less than the shares quota value of SEK 0.10. Day without quotation price shall not be included;
- Further, for U.S. participants the exercise price may not be less than 100 per cent of the mean between the highest and lowest quoted selling prices for the Company's shares on Nasdaq Stockholm on the trading day immediately preceding the date that the employee stock option is granted;
- The employee stock options of Series 4 entitles the holder to acquire shares during the period commencing on 16 January 2020 up to and including 16 April 2020;
- The employee stock options of Series 5 entitles the holder to acquire shares during the period commencing on 16 January 2021 up to and including 16 April 2021;
- The employee stock options of Series 6 entitles the holder to acquire shares during the period commencing on 16 January 2022 up to and including 16 April 2022;
- The employee stock options may not be transferred or pledged; and

As a general rule, the employee stock options shall only be available to be exercised if the holder is still an employee within the group.

Recalculation due to split, consolidation, new share issue etc.

The exercise price for Series 1-3 and 4-6, determined as set out above, shall be rounded to the nearest SEK 0.10 whereby SEK 0.05 shall be rounded upwards. The exercise price and the number of shares that each warrant entitles to subscription for shall be recalculated in the event of a split, consolidation, new share issue etc. in accordance with customary re-calculation terms. If the warrants of Series 1-6 are completely exercised the Company's share capital will increase with SEK 150,000.

Allocation of warrants, limitations in the disposition of the warrants and the right to receive warrants and employee stock options

The participants' right to acquire warrants and employee stock options have been differentiated with reference to position, responsibility and working performance in the group and the participants have for this reason been divided into three different categories:

Category A – Members of the group management and a number of important key employees

Category B – Senior executives in the group and other key employees

Category C – Other participants

The right to receive warrants for employees within Sweden and some of the group's foreign subsidiaries requires that the participant enter into a pre-emption agreement with the Company.

Pre-emption shall be made at market value with regard to the Swedish participants and also with regard to the foreign participants, to the extent that it does not cause adverse tax consequences. The warrants are otherwise freely transferable. The right to receive employee stock options shall accrue to senior managers and other key employees within, amongst others, the group's U.S. and UK subsidiaries. The following allocation applies to the grant of options within each category.

	Maximum number of options for each participant	Total number of options within the category
Category A – not more than 14 people	50,000 options	700,000 options
Category B – not more than 21 people	20,000 options	420,000 options
Category C – not more than 38 people	10,000 options	380,000 options

Board members and the founders shall not be eligible to participate in LTI 2016.

Proposal regarding issue of warrants in Series 1-3 (item 7 (b))

The board of directors proposes that the Company shall issue not more than 960,000 warrants for subscription of shares, whereof not more than 320,000 warrants in Series 1, not more than 320,000 warrants in Series 2 and not more than 320,000 warrants in Series 3, whereby the Company's share capital may be increased by not more than SEK 96,000 at full subscription, corresponding to approximately two (2) per cent of the total number of shares and the total number of votes in the Company.

The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, only belong to the Subsidiary, with the right and obligation to dispose of the warrants as described above. Each warrant entitles the holder to subscribe for one (1) share in the Company. The warrants will be issued without consideration to the Subsidiary.

In order to fulfil the commitments arising from LTI 2016, the board of directors proposes that the general meeting authorizes that the Subsidiary may assign to a third party or in another way dispose of the warrants in accordance with the above.

Proposal regarding issue of warrants in Series 4-6 (item 7 (c))

The board of directors proposes that the Company shall issue not more than 540,000 warrants for subscription of shares, of which not more than 180,000 warrants may be issued in Series 4, not more than 180,000 warrants may be issued in Series 5 and not more than 180,000 warrants may be issued in Series 6, whereby the Company's share capital may be increased by not more than SEK 54,000, at full subscription corresponding to approximately one (1) per cent of the total number of shares and number of votes in the Company.

The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, only belong to the Subsidiary, with the right and obligation to dispose of the warrants as described above. Each warrant entitles the holder to subscribe for one (1) share in the Company. The warrants shall be issued without compensation to the Subsidiary.

In order to fulfil the commitments arising from LTI 2016, the board of directors proposes that the general meeting authorizes that the Subsidiary may assign to a third party or in another way dispose of the warrants in accordance with above.

Costs

The incentive programme is expected to have a marginal effect on the Company's earnings per share. Given that the warrants of Series 1-3 shall be transferred at a price corresponding to the market value of the warrants, no particular social security costs will arise for the Company in connection with the transfer of warrants to the participants. The market value of the warrants is, in accordance with a preliminary valuation made based on a market value on the underlying share corresponding to SEK 71.80, SEK 5.9, 7.8, and 9.6 per warrant for each of the three different call periods, assuming an exercise price of SEK 107.7 per share. The Black & Scholes valuation model has been used for valuing the warrants, assuming a risk free interest of -0.6 per cent and a volatility of 30 per cent.

Costs related to the employee stock options in Series 4-6 will be accounted for in accordance with IFRS 2 which stipulates that the employee stock option shall be recorded as a personnel expense in the income statement during the vesting period. The total costs for the employee stock options are expected to amount to SEK 4,200,000 during the term of the programme.

The total costs, including other expenses for LTI 2016 related to fees to external advisors, valuation, own work and for administration of the programme, are estimated to amount to approximately SEK 5,000,000 during the term of the programme, under the assumption of a share price of SEK 110.

Effect on important key ratios

The costs for LTI 2016 amount to approximately 0.2 per cent of the Company's revenue for the financial year 2014/2015.

Dilution

Upon exercise of all warrants in LTI 2016 up to 1,500,000 shares (with reservation for any recalculation), equivalent to approximately three (3) per cent of the total number of shares and votes, may be issued. The calculation is based on the maximum number of shares and votes which can be issued divided with the total number of shares and votes after such issue. Upon full exercise of the warrants, the Company's share capital will increase with a maximum of SEK 150,000.

Preparation of the proposal

The proposal to the incentive programme LTI 2016 has been prepared by the board of directors of the Company.

The reason for the deviations from the shareholders' preferential rights

The reason for the deviation from the shareholders' preferential rights is to implement an incentive programme for the senior executives and key employees in the Company and the group.

Majority requirement

A resolution to approve the present proposal is valid only where supported by shareholders holding not less than nine-tenths (9/10) of both the shares voted for and of the shares represented at the meeting.

Authorization

It is further proposed that the board of directors, or a person appointed by the board of directors, is authorized to undertake such minor adjustments in the decision that may be required for the registration with the Swedish Companies Registration Office and Euroclear Sweden AB and that the board of directors shall have the right to undertake such minor adjustments to the incentive programme due to applicable foreign rules and laws.

OTHER INFORMATION

There are, as of the day of this notice, 48,648,645 shares and votes in the Company. As of the day of this notice, the Company hold no own shares.

SHAREHOLDERS' RIGHT TO REQUEST INFORMATION

Pursuant to Chapter 7 section 32 of the Swedish Companies Act (Sw. aktiebolagslagen) the board of directors and the CEO are under a duty to, if any shareholder so requests and the board of directors and the CEO deems that it can be made without material damage to the Company, provide information, regarding circumstances which may affect the assessment of a matter on the agenda or of the Company's economic situation.

DOCUMENTATION

The board of directors' comprehensive proposal pursuant to item 7 and the documentation referred to in Chapter 14 Section 8 of the Swedish Companies Act will be kept available at the Company's office not later than three weeks before the meeting. The documents will be sent free of charge to shareholders who so request and state their postal address. The documents will also be made available not later than the aforementioned date on the Company's website www.clxcommunication.com. All the above mentioned documents will also be presented at the general meeting.

Stockholm in November 2016

The board of directors