

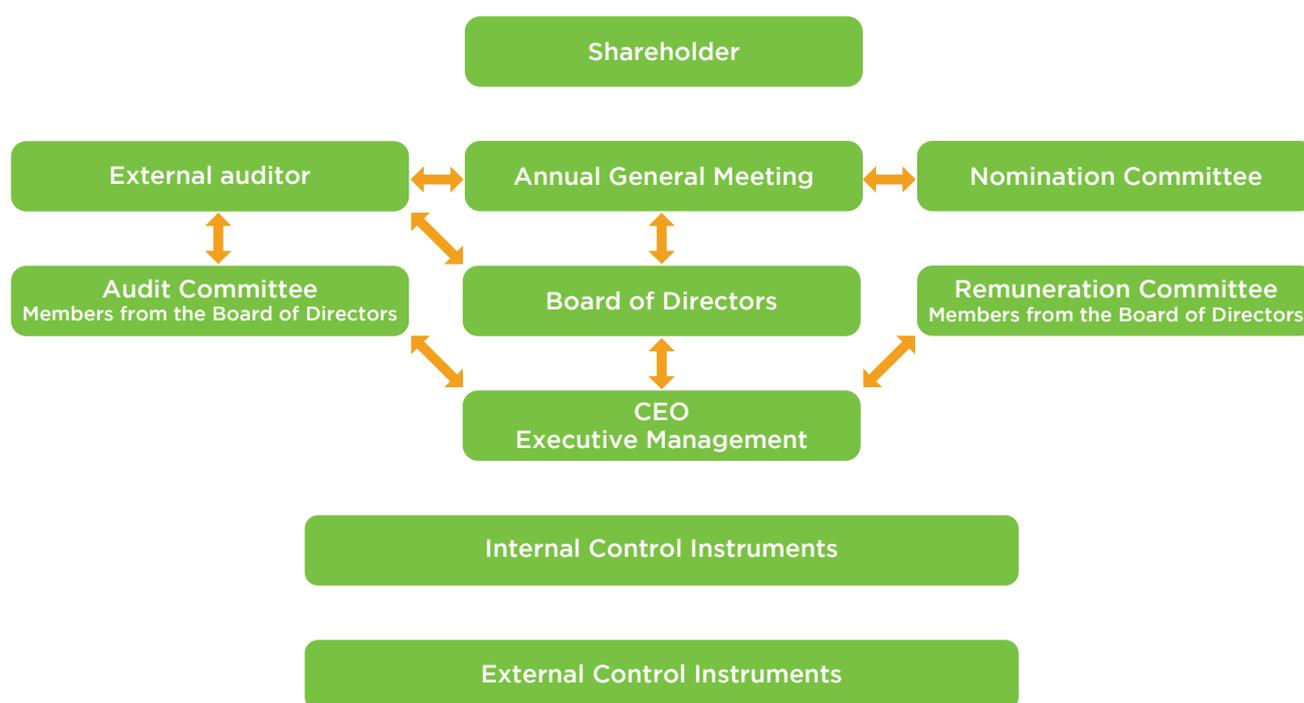
Corporate governance report

Pricer AB (publ) is a Swedish public company headquartered in Stockholm. The company's class B share is quoted on the Small Cap list of NASDAQ Stockholm.

This corporate governance report has been prepared in accordance with the Annual Accounts Act and the rules in the Swedish Corporate Governance Code, "the Code" (further information about the Code is available at www.bolagsstyrning.se).

This report has been submitted by the Board of Directors of Pricer AB, but is not part of the formal financial statements. According to the Board of Directors, Pricer has followed the Code in all respects during 2017. The report has been read by the company's auditor, who has issued a separate opinion that the statutory information in the corporate governance report is consistent with that in the annual report and the consolidated accounts.

Pricer's governance



Share structure and ownership

Pricer has two classes of shares; A shares and B shares. Class A shares carry five votes per share and class B shares carry one vote per share. The number of shares amounted to 225,523 A shares and 110,746,258 B shares, all with a quota value of one SEK (1) each.

The number of shareholders at 31 December 2017 was 16,518. The ten largest shareholders held 38.2 percent of the number of shares and 38.7 percent of the number of votes. Pohjola Bank (Göran Sundholm) was the largest owner with 10.1 percent of the votes. For further ownership information, see page 10.

General meeting of shareholders

Pricer's highest governing body is the Annual General Meeting, "AGM", where all shareholders have the right to attend, to have matters addressed and to vote for all their shares. The AGM is held once per year (if applicable an Extraordinary General Meeting may also be held). The AGM appoints the Board members and the Board Chairman, elects the auditors, and decides on amendments to the Articles of Association. In addition, the AGM adopts the income statements and

balance sheets and approves the appropriation of the company's profit or loss. Further, the AGM decides on discharge from liability for the Board members and the CEO, decides on remuneration for the Board and auditors and establishes the principles for remuneration to the CEO and senior executives. The AGM of Pricer is normally held in April or May in Stockholm. The date and location of the AGM is announced as soon as the Board has made its decision, normally in connection with the third quarter report. Information about the date and location of the AGM can be found on the company's website www.pricer.com.

Notice of the AGM is published by announcement in the official newspaper Post- och Inrikes Tidningar, Svenska Dagbladet and on the company's website. Shareholders who are registered in their own name in the share register maintained by Euroclear Sweden AB on the record date and who have notified the company by the specified date are entitled to attend the AGM and vote for their shares. Shareholders who are unable to attend may be represented by a proxy.

All information about the company's general meetings is available on the company's website.

The company's Articles of Association contain no restrictions on the number of votes each shareholder may cast at a general meeting, nor is the issue of amending the Articles of Association regulated.

Nomination Committee

The Nomination Committee represent Pricer's shareholders. The tasks of the Nomination Committee are to evaluate the composition and performance of the Board and to prepare proposals for approval by the AGM regarding election of the Chairman of the AGM, election of Board members and the Board Chairman and election of auditors. The Nomination Committee shall also prepare proposals for the AGM regarding remuneration to the Board and auditors. Finally, the Nomination Committee proposes principles for the appointment of a new Nomination Committee. Shareholders may submit proposals to the Nomination Committee in accordance with the instructions on the company's website.

According to the Code, the Nomination Committee shall consist of at least three members, one of whom shall be appointed chairman. The general meeting of shareholders shall appoint the members of the Nomination Committee or state how they are to be appointed.

Board of Directors

Size and composition

Board members are appointed by the shareholders at the AGM for the period until the end of the next AGM. In accordance with the Code, the Chairman of the Board is also appointed by the AGM.

In accordance with the Articles of Association, the Board of Pricer shall consist of a minimum of three and a maximum of seven members and the AGM shall decide on the exact number of Board members. The Articles of Association contain no specific provisions regarding on the appointment or dismissal of Board members.

For a presentation of the Board members, see page 64.

Role

The Board Chairman is responsible for organizing and overseeing the work of the Board and ensuring that it is performed in accordance with the applicable rules. The Board Chairman continuously monitors operations in dialogue with the CEO and ensures that the Board is provided with the information and documentation necessary for it to discharge its duties.

The Board is responsible for the company's strategy and organization and the management of the company's affairs. The Board ensures that the company's organization is designed to ensure that accounting, cash management and other financial matters are controlled in a satisfactory manner. The Board continuously monitors the financial situation of the company and the Group, which is reported monthly, to ensure that the Board can meet its obligation to evaluate as required by law and the listing rules. The work of the Board is governed by specially formulated working procedures. Generally, the Board handles matters of material significance to the Group such as strategic plans, budgets and forecasts, product planning, working capital, financing and the acquisition of operations, businesses or significant investments

Committees

The Board has appointed an Audit Committee. Within the framework of the Board's duties, the Audit Committee shall monitor the company's financial reporting and prepare issues regarding the company's financial reporting and audit in accordance with Chapter

8, § 49b of the Companies Act and fulfill the duties imposed by EU Regulation No 537/2014. The Audit Committee has also regularly supported the CEO in major financing and structural issues and in preparation of these matters for the Board.

The Board has appointed a Remuneration Committee. The Remuneration Committee deals with issues related to remuneration and terms of employment for senior executives and the preparation of draft guidelines for remuneration to the CEO and senior executives, which the Board submits for resolution by the AGM.

Evaluation of the Board

The Board Chairman is responsible for evaluation of the Board of Directors' performance, including the contributions of the individual members. This is done through a structured yearly self-assessment that is followed by discussions in the Board and the Nomination Committee, where the compiled results of the survey, including any comments made, are presented by reviewing the individual answers as well as the average and standard deviation for each question.

CEO and Executive Management

The CEO is appointed and dismissed by the Board and his/her performance is evaluated regularly by the Board, which occurs without the presence of company's management. Pricer's CEO supervises the ongoing operational activities. Written instructions define the division of responsibilities between the Board of Directors and the CEO. The CEO reports to the Board and presents a special CEO report at each Board meeting, which among other things contains information about how the business is performing based on the decisions taken by the Board.

The CEO prepares the agenda in consultation with the Chairman ahead of each meeting and determines the required supporting data and documentation necessary to deal with the matters at hand. Other members may request that certain matters be added to the agenda. Prior to each scheduled meeting, the CEO provides the Board with a status report containing at least the following points: market, sales, production, research and development, finance, staff issues and, where appropriate, legal disputes.

At the end of the year, Pricer's Executive Management consisted of five members in addition to the CEO. Each of the members has operating responsibility for part of the organization. For a presentation of the member of the Executive Management, see page 65.

External Auditor

The Auditor is appointed by the AGM following a proposal by the Nomination Committee. The auditing firm of Ernst & Young AB was elected auditor by the AGM 2017, with Authorized Public Accountant Rickard Andersson as Auditor in Charge.

Control instruments

Corporate governance within Pricer takes place through external rules such as the Swedish Companies Act, Nasdaq Stockholm's Rules for Issuers, the Swedish Corporate Governance Code ("the Code") and other relevant laws, regulations and rules.

The internal control instruments that influence governance of Pricer consist mainly of the Articles of Association, the rules of procedure for the Board, instructions for the CEO and other policy documents adopted by the Board for various areas, e.g. authorization and certification rules, finance, communication, diversity.

Corporate governance report (cont'd)

Corporate governance in Pricer 2017

Annual General Meeting 2017

The Annual General Meeting was held on 27 April 2017 and was attended by 49 shareholders representing 24.2 percent of the votes and 24.4 percent of the number of shares in the company. Pricer's Board of Directors, executive management and the company's auditors were present at the meeting. The AGM adopted the following resolutions:

- The income statement, balance sheet and consolidated income statement and consolidated balance sheet were adopted.
- The proposed dividend of SEK 0.50 per share was adopted.
- The Board of Directors and the CEO were discharged from liability for the 2016 financial year.
- Board fees for the next term of office were set at a total of SEK 1,595,000 and it was decided that remuneration to the auditors would be paid according to the company's approved account.
- Re-election of Board member Bo Kastensson, who was also elected as Chairman of the Board, and re-election the following other Board members:
 - Hans Granberg
 - Bernt Ingman
 - Olof Sand
 - Jenni Virnes
 - and Jonas Guldstrand was newly elected to the Board of Directors
- Fees to the auditors are to be paid according to approved account according to the Nomination Committee's proposal.
- The Nomination Committee's proposal regarding principles for appointment of the Nomination Committee for the 2018 AGM were adopted.
- The principles for remuneration to senior executives were adopted.
- Long-term incentive program according to the Board of Director's proposal.
- Authorization for the Board of Directors to decide on the issue of new shares of class B as proposed by the Board.
- Authorization for the Board of Directors to decide on the repurchase and transfer of the company's own shares as proposed to the AGM.

The AGM's decision as a whole is set out in the full minutes of the Annual General Meeting in Swedish, which together with other information about the Annual General Meeting is available on the company's website, www.pricer.com.

Work performed by the Board of Directors

The Board held 18 meetings during the 2017 financial year. The attendance of the Board members at these meetings is shown in the below table.

The CEO and CFO attend all Board meetings, except in cases where issues involve obstacles due to conflicts of interest, such as when remuneration for the CEO is determined or when the performance of the CEO is evaluated. The company's auditors attended at one Board meetings during 2017.

The meetings have preferably been held at the company's headquarters in Stockholm or by telephone.

The Board's work in 2017 has followed the annual action plan that is set for each new fiscal year. In addition to the regular action plan, the Board prepared a proposal prior to the 2017 AGM for a new long-term incentive program for senior executives which was then adopted at the AGM in 2017.

Bo Kastensson, Chairman of the Board, resigned from the Board on August 10 with immediate effect. The Board elected Bernt Ingman as new Chairman of the Board for the period until the new Chairman was elected by the next Annual General Meeting.

On 14 August, the Board decided to appoint the company's CFO Helena Holmgren, as acting President and CEO during a transitional period until a new CEO is recruited, as the former CEO Andreas Renulf had chosen to leave the company.

The Remuneration Committee consisted of Board members Bernt Ingman and Olof Sand during the year. The committee has had several telephone discussions and met with the management on two occasions. A report has been prepared and submitted to the Board including proposals for decisions.

Until 10 August, the Audit Committee consisted of Board members Bernt Ingman and Bo Kastensson, and subsequently by Bernt Ingman and Hans Granberg. The committee held five meetings, of which the company's auditor participated in one. The work of the committee during the year has mainly focused on the company's finance policy and new IFRS regulations.

For 2017, the work of the Board of Directors has been evaluated by the Board through a web-based board evaluation conducted by an external supplier, in which the members of the Board individually and anonymously consider statements regarding the Board as a whole, the Chairman of the Board, the CEO's work in the Board and their own work. The evaluation focuses, among other things, on improving the efficiency and focus areas of the Board, as well as the need of specific skills and working methods. The evaluation has then been presented to the Nomination Committee and has provided the basis for proposals for Board members and remuneration levels.

With regard to the company's business, stage of development and other circumstances, it is the Board's opinion that the Board has an appropriate composition characterized by diversity and breadth regarding the members' skills, experience and background.

Board members attendance 2017

Board and committees

Boardmember	Year of election	Remuneration, SEK	Independent in relation to the company and its management	Independent in relation to larger shareholders	Attendance at meetings ¹⁾		
					Board meetings (18)	Audit committee (5)	Remuneration committee (2)
Bernt Ingman, (Chairman) ²⁾	2014	318	Yes	Yes	18/18	5/5	2/2
Bo Kastensson, (Chairman) ²⁾	2014	339	Yes	Yes	14/14	3/3	
Hans Granberg ²⁾	2014	213	Yes	Yes	18/18	2/2	
Jonas Guldstrand ³⁾	2017	147	Yes	Yes	12/12		
Olof Sand	2015	213	Yes	Yes	16/18		2/2
Jenni Virnes	2016	213	Yes	Yes	18/18		
Christina Åqvist ⁴⁾	2015	67	Yes	Yes	5/6		
Total remuneration:		1,510					

¹⁾ Refers to the period 1 January - 31 December 2017

²⁾ On 10 August 2017 Bo Kastensson resigned as chairman and board member of Pricer AB (publ). At the same time Bernt Ingman was elected to new chairman until the next annual meeting 26 April 2018. Hans Granberg was elected to the Audit Committee.

³⁾ Jonas Guldstrand was elected to the board at the annual general meeting on 27 April 2017.

⁴⁾ Christina Åqvist resigned from the board at the annual general meeting on 27 April 2017.

Remuneration

Board of Directors

At the 2017 AGM it was resolved, in accordance with the Nomination Committee's proposal, that fees to the Board would be paid in a total amount of SEK 1,595,000, of which SEK 495,000 to the Board Chairman and SEK 220,000 to each of the other five members.

No specific remuneration has been paid to the Board members elected to the Remuneration or Audit Committees.

In addition to the above fees, no other remuneration or financial instruments have been paid or been made available other than pure reimbursement for outlays.

External auditor

The 2017 AGM resolved to approve the Nomination Committee's proposal that remuneration to the auditors be paid in accordance with the company's approved account.

CEO and senior executives

The 2017 AGM resolved to approve the Board's proposal for guidelines regarding remuneration to senior executives. Remuneration to the CEO and senior executives is determined by the Board after proposals from the Remuneration Committee.

Compliance with the Swedish stock exchange rules in 2017

During the 2017 financial year, Pricer has not been subject to any decision by Nasdaq Stockholm's disciplinary committee or the Swedish Securities Council regarding violations of Nasdaq Stockholm's regulatory framework or good practices in the stock market.

Nomination Committee 2018

The Nomination Committee ahead of the 2018 AGM was announced on 23 October 2017 through a press release and on the company's website. It consists of Göran Bronner, Ulf Palm, Göran Sundholm, and Gunnar Ek, who has served as Chairman of the Nomination Committee and Bernt Ingman, Chairman of the Board of Directors.

The members of the Nomination Committee are independent in relation to the company and its management. Apart from Göran Sundholm, all members of the Nomination Committee are independent in relation to the company's largest shareholder in terms of voting power.

Ahead of the AGM, the Nomination Committee has held 7 meetings. The proposal of the Nomination Committee to the 2018 AGM is available at www.pricer.com.

No special remuneration was paid to the Nomination Committee members.

Corporate governance report (cont'd)

Diversity policy

The Nomination Committee of Pricer AB has applied Rule 4.1 of the Swedish Code of Corporate Governance as a diversity policy in the preparation of proposals for the Board. Accordingly, Pricer's Board of Directors shall consist of a well-balanced mix of competencies that are essential for managing Pricer's strategic work in a responsible and successful manner. In order to achieve this, knowledge is sought in areas such as retail, digital commerce, corporate governance, compliance with rules and regulations, finance and financial analysis and remuneration issues. Previous board experience is another important qualification. Furthermore, it is important that the Board members do not have too many executive or non-executive assignments to allow them to spend the time required for their board work for Pricer AB.

The Nomination Committee believes that breadth and diversity in areas such as age, nationality, educational background, gender, experience and expertise are represented among the proposed members of the Board. The Nomination Committee further believes that the diversity issue is important and that it is important for future election committees to continue working actively to achieve a well-balanced gender distribution on the Board.

The 2017 AGM decided in accordance with the Nomination Committee's proposal, which meant that 6 members were elected, 1 woman and 5 men, with a composition otherwise based on the criteria that addressed by the diversity policy.

In the Nomination Committee's work ahead of the 2018 AGM, the diversity policy has been applied as described above. This has resulted in the Nomination Committee's proposal to the AGM for a total of 5 members, 1 woman and 4 men according to the notice of the AGM.

Internal control over financial reporting

The Board is responsible for internal control, pursuant to the Swedish Companies Act and the Code.

The Swedish Annual Accounts Act requires the company to prepare an annual description of the company's internal control and risk management system regarding the financial reporting. The Board has overall responsibility for the financial reporting. The Audit Committee has an important task in preparing the Board's work on quality assurance of the financial reporting. This preparation includes issues regarding internal control and compliance, control of carrying amounts, estimates, assessments and other factors that may affect the quality of the financial reports. The committee has commissioned the company's auditor to examine in particular how well the rules for internal control, both comprehensive and detailed, are complied with in the company.

Pricer's internal control process shall provide reasonable assurance regarding the quality and reliability of its financial reporting. It shall also ensure that reports are prepared in accordance with the applicable laws and regulations, and the requirements that apply to publicly listed companies in Sweden.

Control environment

Pricer's internal control over financial reporting is based on the organizational and system structures, decision-making paths and separation of duties that are documented and communicated in control documents, policies and manuals. The Board has adopted rules of procedure that regulate the Board's responsibilities and work on the Board's committees. To uphold an effective control environment and good internal control, the Board has delegated practical responsibility to the CEO and drafted instructions for the CEO. To safeguard the quality of the financial reporting, the company has a number of internal control instruments such as certification and authorization routines and a standard model for ongoing monthly reporting that has been designed together with the Board. Pricer uses an integrated ERP system, that handles all financial flows.

Risk assessment

Regarding the financial reporting, the risks are assessed to lie primarily in the possibility that material errors may arise in the accounting for the company's financial position and results. The Board is responsible for ensuring that significant financial risks and risks for misstatements in the financial statements are identified and dealt with.

Control activities and monitoring

The company also has a number of control activities aimed at ensuring the accuracy and completeness of the financial statements. Routines and actions have been designed to manage significant risks related to the financial statements, which have been identified in the risk assessment. Control activities are available at both a general and detailed level in the Group. For example, complete monthly financial statements are prepared and monitored by the responsible unit and function managers and controllers.

The executive management meets at least once a month for a review of the business situation. In addition, representatives from the finance function visit group companies several times a year to discuss current issues and review the results and financial status, and to verify that processes are being followed and developed. The Board monitors the activities through monthly reports in which the CEO comments on business performance, results and financial position. Measures and activities aimed at strengthening and optimizing internal controls are implemented on a regular basis.

Internal control is monitored continuously. This is done primarily in the form of deviation reporting against budget/forecast and the previous year's outcome. The Board reviews each interim report and discusses the contents with the CFO and, when appropriate, with the company's auditor. The company monitors the areas for improvement in internal control that are reported by the external auditor. Furthermore, the CEO and the CFO hold regular meetings with the Board's Audit Committee to discuss financial matters on an ongoing basis. The finance staff employed in the subsidiaries have explicit responsibility for reporting deviations to the central finance and controller organization. In accordance with the rules in the Swedish Corporate Governance Code, the Board has assessed the need for a special internal audit function. Against this background, the Board of Directors is of the opinion that there is no need in the company at present.

Work performed during the year

The work to improve the company's internal control has continued through development of the integrated ERP system used by most of the company's subsidiaries, together with reporting tools to improve reporting quality and the analysis of the company's economic development. The finance department has also devoted a large part of the year to analyzing the consequences of and preparing for the transition to the new IFRS regulations, which will take effect on 1 January 2018, with respect to IFRS 15, Revenue from Contracts with Customers, and IFRS 9, Financial Instruments, so that knowledge about the regulatory framework is spread internally and the effects of these regulations are reported in a correct manner in the company's financial statements.

Board of Directors



BERNT INGMAN

Chairman of the Board

since 2017

Born: 1954

Education:

MBA

Member of the Board since: 2014

Other assignments:

Chairman of Beijer Ref AB, Handelsbanken's local office in Kista and Sveriges Bostadsrättscentrum AB

Independence: Independent in relation to the company and management as well as in relation to the company's major shareholders

Shareholding (own and closely related persons): 90,000 B shares



HANS GRANBERG

Member

Born: 1953

Education:

High school diploma

Member of the Board since: 2014

Other assignments:

Chairman of Investment AB Karlsvik

Independence: Independent in relation to the company and management as well as in relation to the company's major shareholders

Shareholding (own and closely related persons): 1,764 A shares
2,392,300 B shares



JONAS GULDSTRAND

Member

Born: 1966

Education:

MBA

Member of the Board since: 2017

Other assignments:

Chairman of Intersport Sverige Holding AB

Independence: Independent in relation to the company and management as well as in relation to the company's major shareholders

Shareholding (own and closely related persons): 5,500 B shares



OLOF SAND

Member

Born: 1963

Education:

MBA and Advanced Management Program

Member of the Board since: 2015

Other assignments:

CEO of Quant AB, Chairman of Claremont AB

Independence: Independent in relation to the company and management as well as in relation to the company's major shareholders

Shareholding (own and closely related persons): 100,000 B shares



JENNI VIRNES

Member

Born: 1974

Education:

MSc. Industrial Engineering and Management

Member of the Board since: 2016

Other assignments: -

Independence: Independent in relation to the company and management as well as in relation to the company's major shareholders

Shareholding (own and closely related persons): -

The information regarding board assignments and shareholdings refers to 31 December 2017.

Executive Management



HELENA HOLMGREN
**Acting President
and CEO**

Born: 1976
Education:
MBA
Employed since: 2015
Shareholding:
51,540 B shares
190,000 options *



CHARLES JACKSSON
Head of Americas region

Born: 1963
Education:
Bachelor of Business
Administration
Employed since: 2014
Shareholding:
12,893 B shares
380,000 options *



NILS HULTH
**Head of Sales
Scandinavia and Rest of
the World**

Born: 1971
Education:
Master in Computer Science
and Master in Evolutionary
and Adaptive Systems
Employed since: 2006
Shareholding:
40,000 B shares
190,000 options *



**JOHAN
VON KONOW**
**VP Research &
Development**

Born: 1976
Education:
Bachelor Program in
Industrial Design Engineering
Employed since: 2013
Shareholding:
37,896 B shares



**JÖRGEN
JOST AUF DER STROTH**
**VP Supply Chain &
Procurement**

Born: 1964
Education:
Master in Electrical
Engineering
Employed since: 2018
Shareholding: -



**ANNIKA
BLONDEAU HENRIKSSON**
Interim CFO

Born: 1969
Education:
Master of Science in Business
Studies and Economics
Employed since: 2017 (interim)
Shareholding: -

* Each option grants the right to one share