



Documentation to be presented
at the Annual General Meeting of

Investment AB Kinnevik (publ)

Thursday 12 May 2005

Agenda

for the Annual General Meeting of Investment AB Kinnevik (publ) Thursday 12 May 2005 at 9.30 a.m. CET at the cinema Skandia, Drottninggatan 82, in Stockholm.

Proposed agenda

1. Election of Chairman of the Meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons to check and verify the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Presentation of the annual report and auditors' report and of the consolidated financial statements and the auditors' report on the consolidated financial statements.
7. Decision on the adoption of the income statement and balance sheet and of the consolidated income statement and the consolidated balance sheet.
8. Decision on the proposed treatment of the company's inappropriate earnings or accumulated loss as stated in the adopted balance sheet.
9. Decision on the discharge of liability of the members of the Board of Directors and the Managing Directors.
10. Determination of the number of members and deputy members of the Board of Directors and the number of auditors and deputy auditors.
11. Determination of the fees of the members of the Board of Directors and the auditors.
12. Election of the members and deputy members of the Board of Directors.
13. Election of auditor.
14. Approval of the procedure of the Nomination Group for the election of members of the Board of Directors.
15. Decision on repurchase of own shares as a result of the non-cash dividend.
16. Decision on redemption of shares.
17. Approval of incentive program for Invik & Co. AB (publ).
18. Closure of the Meeting.

The Board of Directors' proposals to be presented at the Annual General Meeting of Investment AB Kinnevik (publ) on Thursday 12 May 2005

The following proposals are numbered according to the proposed agenda.

Dividends (item 8)

The Board of Directors proposes that the Meeting resolves on cash dividends for the fiscal year 2004 corresponding to SEK 0.25 per share. The Board of Directors further proposes that the record date for the cash dividend shall be Tuesday 17 May 2005.

Further, the Board of Directors proposes that the Meeting resolves to effect a non-cash dividend of all shares in Invik & Co. AB (publ) ("**Invik**") under essentially the following terms and conditions. The Board of Directors proposes that shareholders should receive one (1) Class A share in Invik for each ten (10) Class A shares held in Investment AB Kinnevik (publ) ("**Kinnevik**"), and one (1) Class B share in Invik for each ten (10) Class B shares held in Kinnevik. As a result of the non-cash dividend, the unrestricted shareholders' equity in Kinnevik will be reduced by at most SEK 1.5 billion. The record date for the non-cash dividend is proposed to be 30 August 2005, under the condition that, Stockholmsbörsen has approved Invik for listing at least ten business days earlier, and, if required, the Swedish Financial Supervisory Authority has reviewed and registered the listing prospectus. If such approval has not been given and such possible registration has not been carried out, the record date should be ten business days following such approval and such possible registration instead, however, not later than 1 December 2005. The Board of Directors also proposes that the Meeting authorises the Board of Directors to determine any additional terms and conditions required for execution of the non-cash dividend.

Auditor (item 13)

It is proposed that the accounting firm Ernst & Young AB is re-appointed as auditor, with Erik Åström as auditor in charge for a period of four years.

Nomination Group (item 14)

The Board of Directors proposes that the Meeting approves the following procedure for the Nomination Group for the election of members of the Board of Directors. The work of preparing a proposal of members to the Board of Directors for the Annual General Meeting of 2006 shall be executed by a Nomination Group. The Nomination Group will be formed during the autumn of 2005, in consultation with at least three of the major shareholders and Cristina Stenbeck will act as convenor of the Group. The composition of the Group will be communicated in the interim report for the third quarter of 2005.

Repurchase of the Company's Own Shares as a Result of the Non-cash Dividend (item 15)

The Board of Directors proposes that the Meeting resolves, during the period until the next Annual General Meeting, to repurchase two (2) Class A shares and seven (7) Class B shares. The share purchase shall be effected on Stockholmsbörsen and only at a price within the at the time applicable registered quotation, meaning the interval between the highest buying-rate and the lowest selling-rate. The purpose of the repurchase is to enable distribution of the non-cash

dividend in accordance with the proposal set out in item 8 above by ensuring that the number of Class A shares and Class B shares in the company carrying dividend rights is a number evenly divisible by ten.

A resolution according to the proposals under this item must be supported by shareholders representing at least two thirds of the number of shares and the number of votes represented at the Meeting.

Reduction of Share Capital (item 16)

The Board of Directors proposes that the Meeting decides on a reduction of the share capital by not more than SEK 391,430.90 by way of retirement without repayment of shares repurchased in accordance with the proposal set out in item 15 above and the 3,914,300 Class A shares held by the company as a result of the merger between the company and Industriförvaltnings AB Kinnevik (publ). The objective of the reduction is that the reduction amount shall be transferred to the company's reserves.

The resolution according to the proposal under this item must be supported by shareholders representing at least two thirds of the number of shares and the number of votes represented at the Meeting. According to the Swedish Companies Act, a resolution to reduce the share capital may only be executed after a leave of court has been granted and the Swedish Companies Registration Office has registered the decision of the court.

Approval of Incentive Program for Invik & Co. (item 17)

The Board of Directors proposes that the Meeting approves an incentive program in Invik, in accordance with the following proposal from the Board of Directors of Invik. The incentive program means that present and future senior executives and other key employees in the Invik group will be offered to purchase warrants entitling to subscription of Class B shares in Invik. In order to implement the incentive program, it is proposed that the Meeting approves that Invik issues one subordinated debenture with detachable warrants to a wholly owned subsidiary, which will detach the warrants and transfer them on market terms to the participants in the incentive program. The following terms and conditions shall apply to the issue and the incentive program.

The Board of Directors proposes that the Meeting resolves to approve that Invik issues a subordinated debenture at a par value of maximum SEK 100 with 1,390,000 detachable warrants. Each warrant entitles the holder to subscription of one (1) new Class B share in Invik at a par value of SEK 5. The subscription price shall amount to 115 per cent of the Class B share's average last trading price on the exchange or other securities market on which the share is listed, from the sixth trading day up to and including the fifteenth trading day subsequent to the first trading day of the share. Each warrant entitles to subscription of new Class B shares during the period from twenty days subsequent to the first trading day of the share in Invik up to and including 12 May 2008.¹

In deviation from the shareholders' preferential right, Invik Trading AB (wholly owned subsidiary of Invik) is entitled to subscribe for the debenture, with the right and obligation to detach the warrants and transfer them on market terms to the participants in the program. The transfer to the participants shall be made at a price corresponding to the market value of the warrants. The market value of the warrants shall be established in accordance with the generally recognised

¹ This is constitutes an amendment to the proposal in relation to the published notice.

valuation model, Black & Scholes, whereupon the value of the company's shares shall correspond to the average last trading price of the Class B share in Invik during 10 trading days in connection with the time of purchase of the warrant. The valuation of the warrants shall be carried out by Deloitte & Touche AB.

Employees will be offered to acquire warrants in accordance with the following:

1. Category I – CEO, a maximum of 247,111 warrants;
2. Category II – managers of larger business areas (approximately 4 individuals), a maximum of 123,555 warrants each;
3. Category III – managers of smaller business areas (approximately 3 individuals), a maximum of 61,777 warrants each; and
4. Category IV - other key employees (approximately 20 individuals), a maximum of 30,888 warrants each.

It should be noted that the number of warrants indicated above is the maximum allocation for each category and, thus, individual allocation may vary. Participants who have not been offered the maximum allocation may be offered additional warrants, however, never in excess of the maximum allocation for the respective category.

Participation in the incentive program is conditional upon that it is deemed legally possible and appropriate, and that the Board of Directors considers that the administrative costs and financial efforts are reasonable. The Board of Directors may also make local adjustments to meet special regulations and market conditions abroad.

In the event of full subscription of all 1,390,000 warrants, Invik's share capital will increase by SEK 6,950,000, which corresponds to a dilution effect of approximately 5 per cent of the share capital and approximately 2 per cent of the total number of votes on a fully diluted basis. Given full conversion of the convertible bond issued by Invik to Kinnevik, the dilution effect, on a fully diluted basis, corresponds to approximately 4.3 per cent of the share capital and approximately 1.8 per cent of the votes. The dilution effect of the program may affect the profit per share according to the accounting standard IAS 33.

The incentive program has been prepared by the Remuneration Committee of Invik, in consultation with the shareholder, independent experts and the Board of Directors.

The Board of Directors of Invik is considering to encourage participation in the program by committing to paying a cash bonus three years after the acquisition of the warrants, provided that certain future performance targets linked to the average operating profit during the period 2005 – 2007 are fulfilled. The bonus will only be paid if the warrants and/or Class B shares acquired by warrants are held by the warrant holder and he/she is still employed within the Invik group. The amount of the cash bonus may not exceed the difference between the price paid by the warrant holder for the warrants and 6 per cent of the value of the total number of underlying Class B shares, calculated at the time of acquisition of the warrants.

Considering that the transfer of the warrants from the wholly owned subsidiary to employees will occur at a calculated market price, the program is not expected to incur any significant expenses for Invik.

The rationale for the deviation from the shareholders' preferential rights, is that the Board of Directors of Invik considers that the employees' personal investment will strengthen their loyalty, improve the conditions for Invik's continued demands on profitability and create an opportunity for

the employees to take part in the group's development. The incentive program will constitute a competitive incentive for senior executives and a motivating offer for other key employees within the group.

Invik is a wholly owned subsidiary of Kinnevik, which means that the issue of a subordinated debenture with detachable warrants must be approved by the Annual General Meeting in Kinnevik. A resolution according to the proposals under this item must be supported by shareholders representing at least 9/10 of the number of shares and the number of votes represented at the Annual General Meeting in Kinnevik.

The above proposal will be presented at a General Meeting in Invik. The complete proposal by the Board of Directors of Invik on the issue and guidelines for transfer of warrants is set forth in **Appendix 1**.

The Nomination Group's proposals to be presented at the Annual General Meeting of Investment AB Kinnevik (publ) on Thursday 12 May 2005

The following proposals are numbered according to the proposed agenda.

Board of Directors (items 10-12)

The Nomination Group, consisting of Cristina Stenbeck (Chairman), Wilhelm Klingspor, Thomas Halvorsen for Fjärde AP-fonden, Björn Lind for SEB Asset Management and SEB Trygg Liv and Tomas Nicolin for Alecta, proposes that, until the end of the next Annual General Meeting, Pehr G Gyllenhammar, Edvard von Horn, Wilhelm Klingspor, Erik Mitteregger, Stig Nordin and Cristina Stenbeck shall be re-elected Board members. The Nomination Group proposes that the Chairman of the Board of Directors shall be Pehr G Gyllenhammar. Furthermore, it is proposed that an Audit Committee and a Remuneration Committee be appointed among the members of the Board of Directors at the Constituent Board Meeting.

The Nomination Group proposes that the Meeting resolves that the fee of the members of the Board of Directors for the period until the end of the next Annual General Meeting shall be a total of SEK 3,825,000, whereof SEK 2,000,000 shall be allocated to the Chairman, SEK 350,000 to each of the other members of the Board of Directors respectively and a total of SEK 75,000 be allocated for the work of the members within the committees of the Board of Directors.

The above proposal is supported by shareholders representing more than 50 percent of the votes in the company including, inter alia Alecta, Emesco AB, Fjärde AP-fonden, SEB Fonder and SEB Trygg Liv.

CV's for proposed Board Members of Investment AB Kinnevik (publ)

Pehr G Gyllenhammar

Born 1935. Chairman of the Board of Investment AB Kinnevik since 2004 and of Aviva plc, European Financial Services Round Table (EFR) and Reuters Founders Share Company Ltd. Vice Chairman of the Board of Rothschild Europe.

Edvard von Horn

Born 1943. Member of the Board of Industriförvaltnings AB Kinnevik during the period 1992-2004 and of Investment AB Kinnevik since 2004. Chairman of the Board of Mellersta Sveriges Lantbruksaktiebolag. Member of the Board of Korsnäs AB.

Wilhelm Klingspor

Born 1962. Board member of Industriförvaltnings AB Kinnevik during the period 1999-2004, of Investment AB Kinnevik since 2004 and of Korsnäs AB and Mellersta Sveriges Lantbruksaktiebolag.

Erik Mitteregger

Born 1960. Board member of Investment AB Kinnevik since 2004 and of Aspiro AB, Firefly AB and SignOn i Stockholm AB.

Stig Nordin

Born 1943. Member of the Board of Industriförvaltnings AB Kinnevik during the period 1992-2004, of Investment AB Kinnevik since 2004 and of Emesco AB and Korsnäs AB.

Cristina Stenbeck

Born 1977. Chairman of the Board of Emesco AB. Vice Chairman of the Board of Industriförvaltnings AB Kinnevik during the period 2003-2004, of Investment AB Kinnevik since 2004 and of Metro International S.A. since 2003. Member of the Board of Millicom International Cellular S.A., Modern Times Group MTG AB, Tele2 AB and Transcom WorldWide S.A.

Proposed Resolution at General Meeting in Invik & Co. AB (publ)

It was resolved to raise a subordinated loan of the amount maximum SEK 100 by the issue of one subordinated debenture, at a par value of maximum SEK 100.

The issue shall be governed by the following terms and conditions:

1. The debenture shall mature on 16 January 2006 or upon demand. The debenture shall not carry interest.
2. The debenture shall be attached with 1,390,000 detachable warrants, each entitling, from 20 days subsequent to the first trading day of the share in Invik & Co AB up to and including 12 May 2008, to subscribe for one new Class B share in Invik & Co. AB at a par value of SEK 5 at a subscription price corresponding to 115 per cent of the Class B share's average last trading price on the exchange or other securities market on which the share is listed, from the sixth trading day up to and including the fifteenth trading day subsequent to the first trading day of the share. The subscription price thus calculated shall be rounded off to the nearest whole ten öre, whereupon five öre shall be rounded downwards. If the warrants are subscribed in full, the share capital will increase by SEK 6,950,000.
3. Subscription for the debenture shall take place not later than 1 November 2005. The Board of Directors shall be entitled to prolong the subscription period. Payment for the debenture including the warrants shall be made in cash upon subscription in an amount corresponding to the par value of the debenture.
4. In deviation of the shareholders' preferential rights, Invik Trading AB shall be entitled to subscribe for the debenture.
5. The debenture and warrants shall in all other respects be governed by the terms and conditions set forth in **Appendix A and Appendix B**.

The exercise price upon exercise of warrants and the number of shares to which each warrant provides an entitlement to subscribe may be adjusted in accordance with section 8 of the terms and conditions for warrants, see Appendix B.

It was noted that a resolution in respect of the manner of allotment in the event of over subscription is not required.

It was resolved that the managing director should be authorised to undertake such minor adjustments that may be required for the registration of the issue with the Swedish Companies Registration Office and VPC AB.

It was noted that the following terms should apply in respect of the transfer of warrants.

In deviation of the shareholders' preferential rights, the issued debenture shall be subscribed for by Invik Trading AB (a wholly owned subsidiary of Invik & Co. AB) whereby this company shall detach the warrants and offer the warrants to employees within the Invik Group. The transfer of warrants shall be made at a price corresponding to the market value of the warrants.

The Board of Directors shall, according to the following guidelines, resolve on the allocation of warrants to employees within the Group. Category I – CEO, a maximum of 247,111 warrants; Category II – managers of larger business areas (approximately 4 individuals), a maximum of

123,555 warrants each; Category III – managers of smaller business areas (approximately 3 individuals), a maximum of 61,777 warrants each; and Category IV - other key employees (approximately 20 individuals), a maximum of 30,888 warrants each.

**TERMS AND CONDITIONS OF INVIK & CO. AB's
SUBORDINATED LOAN 2005/2006 OF MAXIMUM SEK 100**

§ 1 Definitions

In these terms and conditions the following designations shall have the meaning presented below.

banking day: a day which is not a Sunday or other public holiday, or which, with respect to payment of debentures, is not equivalent of a public holiday.

company: Invik & Co. AB, Org No 556594-1787.

debenture: such debenture issued in accordance to these terms and conditions.

§ 2 Loan amount

The loan amount is maximum SEK 100.

§ 3 Maturity

The loan shall be outstanding as from the day it is paid out until and including January 16, 2006. The loan falls due for repayment in its entirety on January 16, 2006. The company has the right to make a premature payment of the loan at any time, whereby the loan shall be paid in full.

Repayment of the subordinated loan shall be made by the company by way of payment of the loan amount against return of debenture in the corresponding amount.

§ 4 Interest

The loan carries no interest.

§ 5 Debenture

The debenture is issued at nominal value of SEK 100 with 1,390,000 warrants, each warrant entitling to subscription of one (1) new Class B share in the company. The debenture shall be issued to a certain person or order.

The issue price of the debenture shall correspond to its nominal amount.

Warrants can be detached from the debenture at any time.

§ 6 Subordinated debenture

In the event of the company's liquidation or bankruptcy, the debenture shall give right to payment from the company's assets after the company's not subordinated obligations as well as the company's other subordinated obligations though alongside (pari passu) of other subordinated obligations that are expressly placed on equal level as this loan.

§ 7 Limitation

The right to payment of the loan amount will expire ten years after the due date.

§ 8 Notices

Holder of debenture is obligated to notify postal address to the company. Notices concerning the loan shall – unless nothing else is stipulated in these terms and conditions – be addressed to the holder of the debenture through mail under the address last known to the company.

§ 9 Force Majeure

As regards the liabilities assumed by the company, the company shall not be liable for any damage arising out of or in connection with statutory provisions, measures taken by authorities, war, strike, blockade, boycott and lockout and other similar circumstances. The reservations concerning strike, lockout, boycott, and blockade applies also when such measure is taken by the company or if the company becomes subject to such measure.

Damage, that can arise in other cases, will only be compensated by the company to the extent that the damage has been caused by the company being grossly negligently.

In case of any impediment for the company to take measure due to any of the circumstances stated in the first paragraph, the measure may be postponed until the impediment has ceased.

§ 10 Applicable law and forum

This loan and any related legal matters shall be governed by Swedish law. Any legal proceedings relating to this loan shall be brought before the Stockholm District Court or other such forum that is accepted by the company in writing.

TERMS AND CONDITIONS FOR INVIK & CO. AB'S WARRANTS 2005/2008

§ 1 Definitions

All references to the following designations in these terms and conditions shall have the meaning presented below.

“bank day”

a day which is not a Sunday, or other public holiday or, with respect to the payment of debentures, is not deemed to be the equivalent of a public holiday in Sweden;

“bank”

the bank or account operator which the company at each time has appointed to handle the administration of the warrants in accordance with these terms and conditions;

“company”

Invik & Co. AB, reg. no. 556594-1787;

“warrant”

the right to subscribe for Class B shares of the company upon payment in cash pursuant to these terms and conditions;

“subscription”

such subscription of new Class B shares in the company as referred to in the Swedish Companies Act Chapter 5;

“subscription price”

the price at which subscription for new Class B shares may be made;

“VPC”

VPC AB (the Swedish Securities Register Centre);

§ 2 Warrants and registration

The maximum number of warrants is 1,390,000.

The warrants shall be registered by VPC in a record register as prescribed in the Financial Instruments Accounts Act (1998:1479), in consequence whereof no securities certificates will be issued.

The warrants are registered for the account of the holder in an account in the company's record register. Registrations of warrants resulting from measures pursuant to §§ 6, 7 and 8 below shall be undertaken by the bank. Other registration measures concerning the account may be taken by the bank or other account-operating institute.

§ 3 Right to subscribe for new shares

For each warrant held, the holder shall have the right to subscribe for one new share in the company.

The subscription price shall correspond to 115 per cent of a Class B share average last price paid at the exchange or other market place where the share is listed from the sixth trading day up to and including the fifteenth trading day after the first day of trading of the share. The subscription price calculated in this manner shall be rounded off to the nearest tens of öre, whereby five öre is to be rounded downward.

Re-calculation of the subscription price, as well as the number of new shares which each warrant entitles to subscribe for, may take place in the circumstances set forth in § 8 below. Subscription may only be made in respect of the entire number of shares to which the total number of warrants entitles to and that are registered by a certain account operating institute, and which one and the same warrant holder wishes to exercise simultaneously.

§ 4 Notification for subscription

Notification for subscription of shares may be made during the period commencing 20 trading days after listing of the share on an exchange or market place up to and including May 12, 2008.

When such notification is made, an application form duly filled out as prescribed shall, for purposes of registrations, be presented to the company or to a party appointed by the company.

A notification for subscription is binding and may not be withdrawn.

If notification of subscription is not made within the period of time stated in the first paragraph, all right according to the warrants cease to exist.

§ 5 Payment

In connection with a subscription notification, cash payment must be remitted on a single occasion for the number of shares specified in the notification. Payment shall be made in cash to an account appointed by the company.

§ 6 Entry in share register etc

Following subscription, allotment of shares will be effected by the new shares being registered as interim shares in the company's share register. Once registration has taken place at the Companies Registration Office, registration in the share account will become final. As indicated in § 8 below, the date of such final registration may be deferred in certain cases.

§ 7 Dividends on a new share

Share issued as a result of subscription will carry right to dividends as of the first record date for dividends, which has been established after subscription is executed.

§ 8 Re-calculation of subscription price etc.

With regard to the right that shall belong to warrant holders in the situations described in Chapter 5, § 4, first paragraph, subsection 8 of the Swedish Companies Act (1975:1385) as well as in certain other situations, the following shall apply:

- A. If the company effects a bonus issue of shares, subscription shall – if the notification for subscription is made at such time that it cannot be effected at the latest on the tenth day prior to the shareholders’ meeting which resolves upon the bonus issue – be effected only after the shareholders’ meeting has resolved to carry out the bonus issue. A share that is issued as a consequence of subscription executed after such a resolution shall be registered on an interim basis in the share account, which means that the holders of such shares are not entitled to participate in the bonus issue. Final registration in the share account shall take place only after the record date for the issue.

In connection with subscription which are effected after the bonus issue resolution, a re-calculated subscription price as well as a re-calculated number of shares which each warrant shall entitle to subscribe for shall apply. Re-calculations shall be made by the company in accordance with the following formulas:

$$\begin{array}{l} \text{re-calculated number of shares} \\ \text{which each warrant entitles to} \\ \text{subscribe for} \end{array} = \frac{\begin{array}{l} \text{the previous number of shares} \\ \text{which each warrant entitled to} \\ \text{subscribe for } x \text{ the number of} \\ \text{shares after the bonus issue} \end{array}}{\begin{array}{l} \text{the number of shares prior to the} \\ \text{bonus issue} \end{array}}$$

$$\begin{array}{l} \text{the re-calculated subscription price} = \end{array} \frac{\begin{array}{l} \text{the previous subscription price } x \\ \text{the number of shares prior to} \\ \text{the bonus issue} \end{array}}{\begin{array}{l} \text{the number of shares after the} \\ \text{bonus issue} \end{array}}$$

When re-calculating in accordance with the above formula, any shares held by the company shall be disregarded. The re-calculated subscription price and number of shares as calculated above will be determined by the company as soon as possible after the general meeting of the shareholders’ decision regarding the bonus issue, but will not be applied until after the record date for the issue.

- B. If the company undertakes a reverse share split or a share split, subsection A above shall apply mutatis mutandis, whereupon the record date shall be deemed to be the date on which the reverse share split or share split is effected at VPC upon request by the company.

C. If the company carries out a new issue of shares – with a preferential right for shareholders to subscribe for new shares in exchange for cash payment - the following shall apply with respect to the right to participate in the issue for shares which are issued pursuant to subscription due to exercise of warrants:

1. Where the board of directors resolves to carry out the issue, contingent upon the approval of the shareholders' meeting or pursuant to authorisation by the shareholders' meeting, the resolution to carry out the issue and the public notice of the resolution shall set forth the last date on which subscription shall be executed in order that shares, which are issued as a consequence of such subscription, shall entitle the holders to participate in the issue. Such date may not be earlier than ten calendar days after the publication of the notice.
2. Where the resolution to carry out the issue is adopted by the shareholders' meeting, subscriptions – for which application is made at such time that the subscription cannot be executed on or before the tenth calendar day prior to the shareholders' meeting which decides upon the issue – shall be executed only after the company has effected re-calculation in accordance with the penultimate paragraph of this subsection C. Shares which are issued as a consequence of such subscription shall be registered on an interim basis in the share account and shall not entitle the holders to participate in the issue.

Where subscription is made at such time that no right to participate in the new issue arises, a re-calculated subscription price as well as a re-calculated number of shares which each warrant entitles to subscribe for shall apply. Re-calculations shall be made by the company in accordance with the following formulas:

re-calculated subscription price = $\frac{\text{the previous subscription price} \times \text{the average exchange price of the share during the subscription period set forth in the issue resolution (average share price)}}{\text{the average share price increased by the theoretical value of the subscription right calculated on the basis thereof.}}$

re-calculated number of shares which each warrant entitles to subscribe for = $\frac{\text{the previous number of shares which each warrant entitled to subscribe for} \times (\text{the average exchange price of the share increased by the theoretical value of the subscription right calculated on the basis thereof})}{\text{the average share price.}}$

The average share price shall be deemed to correspond to the average for each trading day during the subscription period of the calculated mean value of the highest and lowest price paid according to Stockholm Exchange's official price list or any other current market quotation. In the absence of a quoted paid price, the bid price that is quoted as the closing price shall form the basis for the calculation. Days when no paid price or bid price is quoted shall be excluded from the calculation.

The theoretical value of the subscription rights shall be calculated according to the following formula:

$$\text{The value of a subscription right} = \frac{\text{the maximum number of new shares which may be issued pursuant to the issue resolution} \times (\text{the average share price} - \text{the issue price for the new share})}{\text{the number of shares prior to the issue resolution}}$$

When re-calculating in accordance with the above formula, any shares held by the company shall be disregarded. If a negative value arises in connection with this calculation, the theoretical value of the subscription right shall be deemed to be zero.

The re-calculated subscription price and the re-calculated number of shares as set forth above shall be determined by the company two banking days after the expiration of the subscription period and shall apply to subscriptions executed thereafter.

During the period until the re-calculated subscription price and re-calculated number of shares are determined, subscription shall only be executed on a preliminary basis, whereupon the full number of shares according to the not yet re-calculated number of shares will be registered in the share account on an interim basis. In addition, a special note shall be recorded to the effect that the warrant may entitle the holder to additional shares pursuant to the re-calculated number of shares. Final registration in the share account shall be effected following the determination of the re-calculations.

- D. Where the company carries out – with preferential rights for the shareholders and in return for cash payment – an issue of convertible debentures or debentures combined with warrants for subscription of new shares, the provisions contained in subsection C, first paragraph, subsections 1 and 2, shall apply correspondingly, with respect to the right to participate in the issue.

Where subscriptions are made at such time that no right to participate in the new issue arises, a re-calculated subscription price as well as a re-calculated number of shares which each warrant entitles to subscribe for shall be applied. Re-calculations shall be made by the company in accordance with the following formulas:

| | |
|---|--|
| re-calculated subscription price = | previous subscription price x the average exchange price of the share during the subscription period set forth in the resolution approving the issue (<u>average share price</u>) the average share price increased by the value of the subscription right |
| re-calculated number of shares which each warrant entitles to subscribe for = | previous number of shares which each warrant entitles to subscribe for x (the average share price increased by <u>the value of the subscription right</u>) average share price |

The average share price is calculated in accordance with the provisions set forth in subsection C. above.

The value of the subscription right shall be deemed to correspond to the average mean of the highest and lowest prices paid for such rights each trading day during the subscription period in transactions quoted on the Stockholm Exchange's official list or any other current market quotation. In the absence of a quoted paid price, the final bid price shall form the basis for the calculation. Days when no paid price or bid price is quoted, shall be excluded from the calculation.

The re-calculated subscription price and the re-calculated number of shares as set forth above shall be determined by the company two banking days after the expiration of the subscription period and shall apply to subscriptions made after such time.

In relation to subscriptions effected during the period until the re-calculated subscription price and re-calculated number of shares have been determined, the provisions set forth in the final paragraph of subsection C. above shall apply mutatis mutandis.

- E. In the event the company, under circumstances other than those set forth in subsections A – D above, directs an offer to the shareholders, with a preferential right pursuant to the principles set forth in Chapter 4, section 2 of the Swedish Companies Act, to purchase securities or rights of any kind from the company, or where the company resolves, pursuant to the above-stated principles, to distribute to its shareholders such securities or rights without consideration, shall, with respect to subscriptions requested at such a time that the thereby acquired shares do not carry rights to participate in the offer, a re-calculation of the subscription price and the number of shares each warrant entitles to subscription of, shall be made. The re-calculations shall be made by the company in accordance with the following formulas:

| | |
|---|--|
| re-calculated subscription price = | <p>previous subscription price x the average exchange price of the share during the notice period set forth in the resolution</p> <p><u>approving the issue (the average share price)</u></p> <p>average share price increased by the value of the right to participate in the offer (the value of the purchase right)</p> |
| re-calculated number of shares which each warrant entitles to = subscribe for | <p>previous number of shares which the warrant entitled to purchase x (the average share price increased by <u>the value of the purchase right</u>)</p> <p>average share price</p> |

The average share price is calculated in accordance with the provisions set forth in subsection C. above.

In the event the shareholders received purchase rights and trading in such rights has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase right. The value of the purchase right in such circumstances shall be deemed to correspond to the average mean of the highest and lowest prices paid each trading day during the application period in transactions quoted on Stockholm Exchange's official list or any other current market quotation. In the event no paid price is quoted, the bid price quoted, as the closing price shall be used in the calculation instead. Days when no paid price or bid price is quoted shall be excluded from such calculation.

In the event the shareholders have not received purchase rights or where such trading in purchase rights mentioned in the first paragraph has otherwise not taken place, re-calculation of the subscription price and number of shares shall take place, thereby applying, to the greatest extent possible, the principles set forth above in this subsection E, whereupon the following shall apply. If the securities or rights which are offered to the shareholders are listed, the value of the right to participate in the offer shall be deemed to correspond to the average of the calculated mean values, for each trading day during a period of 25 trading days commencing on the first day for listing, of the highest and lowest price paid during the said day, for transactions in these securities or rights on the Stockholm Exchange or any other current market quotation, where applicable, decreased by any consideration paid for such securities or rights in connection with the offer. In the absence of a quotation of paid price, the last bid price quoted shall be used in the calculation instead. If neither a selling price nor a bid price is quoted on certain given day or days, such day shall be excluded from calculation of the value of the right to participate in the offer. When re-calculation of the subscription price and the number of shares is made according to this paragraph, the above mentioned period of 25 trading days shall be deemed to correspond to the application period determined in the offer. In the event no such listing takes place, the value of the right to participate in the offer shall, to the greatest extent possible, be based upon the change in the market value of the company's shares, which may be deemed to have occurred as a consequence of the offer.

The subscription price and number of shares re-calculated in accordance with the above shall be determined by the company as soon as possible after the expiration of the offer and shall be applied on subscriptions that are effected after such determination.

In relation to subscriptions which are effected during the period until the re-calculated subscription price and re-calculated number of shares have been determined, the provisions set forth in the final paragraph of subsection C above shall apply mutatis mutandis.

- F. Where the company carries out an issue of convertible debentures or debentures combined with warrants for subscription of new shares – with preferential rights for the shareholders to subscribe for such shares or debentures and in return for cash payment – the company is entitled to decide that all warrant holders are entitled to the same preferential right that is bestowed upon the shareholders. In this conjunction the warrant holders, disregarding that subscription has not been made, will be considered as owners of the number of shares that the warrant holder would have received if the subscription had been executed before the issue. The circumstance that the warrant holder would have received an additional cash payment shall not give rise to any right in this case.

Should the company direct such an offer intended in subsection E, above, to its shareholders, the provisions set forth in previous paragraph will apply mutatis mutandis.

If the company was to give the warrant holders preference, in accordance to the provisions set forth in subsection F, re-calculation of the subscription price or of the number of shares that the warrant entitles to, according to subsections C, D or E, shall not be made.

- G. If a cash dividend to shareholders is resolved such that the shareholders receive, combined with other dividends paid during the same fiscal year, a total dividend exceeding 15 percent of the average price of the share during a period of 25 trading days immediately preceding the day on which the board of directors announced its intention to propose that the general meeting of shareholders approves such a dividend, a re-calculation of the subscription price, and the number of shares each warrant entitles the holder to subscribe for, shall be made regarding subscriptions requested at such a time, that the shares thereby received do not carry rights to receive such dividend. The re-calculation shall be based upon such part of the total dividend that exceeds 15 percent of the average price of the shares during the abovementioned period (extra-ordinary dividend). The re-calculation shall be made by the company in accordance with the following formula:

re-calculated subscription price = $\frac{\text{previous subscription price} \times \text{the average exchange price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to extra-ordinary dividend}}{\text{average share price increased by the extra-ordinary dividend paid per share}}$

re-calculated number of shares which each warrant entitles to subscribe for = $\frac{\text{previous number of shares which each warrant entitles to subscribe for} \times (\text{the average share price increased by the extra-ordinary dividend paid per share})}{\text{average share price}}$

The average share price shall be deemed to correspond to the average during the period of 25 trading days set out above of the calculated mean value for each trading day of the highest and lowest price paid quoted on the Stockholm Exchange's official list or any other current market quotation. In the event no paid price is quoted, the final bid price shall form the basis of the calculation. Days when no paid price or bid price is quoted shall be excluded from the calculation.

The re-calculated subscription price and the re-calculated number of shares shall be determined by the company two banking days after the expiration of the period of 25 trading days set out above and shall apply to subscriptions executed thereafter.

- H. In the event the company's share capital is reduced through a repayment to the shareholders that is compulsory, a re-calculation shall be made of the subscription price as well as the number of shares which each warrant entitles the holder to subscribe for. The re-calculations shall be carried out by the company in accordance with the following formulas:

re-calculated subscription price = $\frac{\text{previous subscription price} \times \text{the average exchange price of the share during a period of 25 trading days calculated from the day on which the share is listed without any right to participate in the distribution}}{\text{average share price increased by the amount repaid per share}}$

re-calculated number of shares which each warrant entitles to subscribe for = $\frac{\text{previous number of shares which the warrant entitles to subscribe for} \times (\text{the average share price of the share increased by the amount repaid per share})}{\text{average share price}}$

When re-calculating according to the above and in the event that reduction is effected through redemption of shares, a repayment amount according to the

calculation below shall be used, instead of the actual amount that will be repaid per share.

calculated repayment per share =
$$\frac{\text{the actual amount that has been repaid per redeemed share reduced by the average exchange price of the shares during a 25 day period immediately prior to the day the share is listed without the right to participate in the reduction (the average share price)}}{\text{the number of shares in the company that serves as basis for the redemption of shares reduced with the number 1}}$$

The average share price is calculated in accordance with the provisions set forth in subsection C above.

The re-calculated subscription price and re-calculated number of shares, pursuant to the above, shall be determined by the company two banking days after the expiration of the above-stated period of 25 trading days, and shall apply to subscriptions made after such time. Subscriptions shall not be executed during the period commencing with the adoption of the resolution to reduce the share capital up to and including the day on which the re-calculated subscription price and re-calculated number of shares is determined.

For subscriptions that are executed during the period until the re-calculated subscription price has been determined, provisions set forth in subsection C, last paragraph, is applicable, mutatis mutandis.

If the company's share capital is reduced through a non compulsory redemption of shares with repayment to the shareholders, or if the company – when no reduction of the share capital is made – would execute a repurchase of own shares, but the circumstances, when considering the technical design and economic consequences, makes it comparable with a compulsory reduction, a re-calculation of the subscription price as well as of the number of shares which each warrant entitles to subscription of shall be made by applying the principles set forth in subsection H to the extent possible.

- I. If the company carries out a change of the currency of its share capital resulting in that the share capital of the company shall be determined in a currency other than Swedish kronor, the subscription price shall be re-calculated into the same currency as the currency of the share capital. Such re-calculation of the currency shall be made with application of the exchange rate that has been used when re-calculating the currency of the share capital.

The re-calculated subscription price in accordance with above shall be determined by the company and shall be applied on subscriptions that are effected as from the day the currency change of the share capital is effected.

J. Upon re-calculation pursuant to the above, the subscription price shall be rounded to the nearest 10 öre, with 5 öre rounded upwards and the number of shares rounded off to two decimals.

K. In the event it is resolved that the company shall enter into liquidation, application for subscriptions may not thereafter be made regardless of the reasons for such liquidation. The right to apply for subscription shall terminate immediately upon the entry of an order placing the company in liquidation, notwithstanding that such order may not be final.

Not later than two months prior to the adoption of a resolution by the shareholders' meeting in respect of whether the company shall be placed into liquidation pursuant to Chapter 13, section 1 of the Swedish Companies Act, the warrant holders shall be notified of the intended liquidation pursuant to § 10 below. Such notice shall contain a reminder that subscription for new shares may not be made following the adoption of a final resolution in respect of a liquidation.

In the event the company gives notice of the intended liquidation pursuant to the above, the warrant holders shall - notwithstanding the provisions set forth in § 4 regarding time for application for subscription - be entitled to apply for subscription commencing on the day on which the notice is given, provided that subscription may be effected not later than the tenth calendar day prior to the shareholders' meeting at which the resolution regarding the liquidation of the company shall be addressed.

L. In the event the shareholders' meeting, pursuant to Chapter 14, section 10 of the Swedish Companies Act, approves a merger plan pursuant to which the company shall be merged into another company, applications for subscription may not be made thereafter.

Not later than one month before the company adopts a final position regarding a merger as set forth above, the warrant holders shall be notified pursuant to § 10 of the merger plans. Such notice shall contain a summary of the principal contents of the intended merger plan and the warrant holders shall be reminded that applications for subscription may not be made after a final resolution has been adopted regarding a merger in accordance with the provisions set forth in the preceding paragraph.

In the event the company gives notice of a planned merger in accordance with the preceding provisions, the warrant holders shall - notwithstanding the provisions set forth in § 4 regarding time for application for subscription - be entitled to apply for subscription commencing on the day on which the notice of the merger plans is given, provided that subscription may be effected not later than the tenth calendar day prior to the shareholders' meeting at which the agreement regarding the merger of the Company into another company is to be approved pursuant to Chapter 14, section 10 of the Swedish Companies Act.

M. In the event the company's board of directors decides on a merger plan pursuant to Chapter 14, section 22 of the Swedish Companies Act or where the company's shares are subject to compulsory redemption pursuant to Chapter 14, sections 31-35

of the above-stated Act or other similar company law legislation, the following shall apply:

Where a Swedish limited liability company owns all of the shares in the company and where the company's board of directors makes public its intention to decide a merger plan in accordance with the legislation referred to in the preceding paragraph, the company shall, in the event that the final day for application for subscription pursuant to § 4 above occurs after such information is made public, determine a new final date for application for subscription (expiration date). The above-stated expiration date shall occur within 60 days of the day on which the information was made public.

In the event a shareholder (majority shareholder), alone or together with its subsidiaries, owns shares to such extent of all shares of the company that the majority shareholder, according to applicable law, may request compulsory redemption of remaining shares and such majority shareholder announces its intention to request such compulsory redemption the provisions set forth in the preceding paragraph relating to the expiration date shall apply *mutatis mutandis*.

Where the information has been made public in accordance with the provisions set forth above in this subsection, the warrant holders shall - notwithstanding the provisions set forth in § 4 regarding time for application for subscription - be entitled to apply for subscription until the expiry date. Not later than four weeks prior to the expiry date, the company shall notify the warrant holders, pursuant to § 10 below, of such right and that applications for subscription may not be made after the expiry date.

- N. Notwithstanding what is stated in subsections K, L and M. above to the effect that applications for subscriptions may not be made after a resolution to place the company in liquidation, approve a merger plan, or the close of a new expiry date, the right to apply for subscription shall be reinstated where the liquidation is terminated or where the merger plan is not executed.
- O. In the event the company is placed into bankruptcy, application for subscription may not thereafter be made. Where, however, the bankruptcy decision is revoked a higher court of law, subscription may again be requested.
- P. Should the company take actions such as those stipulated above and, in an independent party's opinion, application of the re-calculation formula established for such action, taking into account the technical framework of such actions or for other reasons, can not be made or would result that the economic compensation received by the warrant holder is unreasonable in comparison with the shareholders, an independent party shall, under the prerequisite that the board of directors of the company approves in writing thereto, carry out the re-calculation in a way that an independent party find appropriate in order to achieve that the re-calculation gives a reasonable result. In corresponding way an independent party shall, under the prerequisite that the board of directors approves in writing thereto, carry out the re-calculation when the company takes measures which, according to above, would not entail a re-calculation but such measures would have

unreasonable economic consequences for the warrant holders or for the shareholders.

- Q. In the event the company's shares are not listed, a re-calculation of the subscription and the number of shares that each warrant entitles to subscription of, shall be made applying to the greatest extent possible the principles that follows from subsections C – H above and shall have as a basis that the value of the warrants remains unchanged.

§ 9 Special undertaking by the company

The company agrees not to undertake any measure described in § 8 above that would result in an adjustment of the subscription price to an amount less than the nominal value of the company's shares.

§ 10 Notices

Notices concerning the warrants shall provided to each warrant holder and other entitled holders that are registered in the company's record register.

§ 11 Nominee

In applying these terms and conditions, the nominee shall be considered holder of the warrants which are registered as held by nominee according to the Financial Instruments Account Act.

§ 12 Changes of terms and conditions

The company shall be entitled to decide upon changes in the terms of these warrants insofar as such changes are required by legislation, court decisions or decisions of public authorities, or if - in the opinion of the company - such action is otherwise appropriate or necessary for practical reasons and the warrant holders' rights are in no respect adversely affected.

§ 13 Confidentiality

Unless so authorized, neither the company, bank nor VPC may provide information on holders of warrants to third parties.

The company is entitled to receive the following details from VPC regarding the holders of warrants account in the company's record register.

1. the holder of warrants' name, address, personal identification number, or other identification number, and postal address,
2. the number of warrants.

§ 14 Limitation of the bank's, the company's and VPC's liability

With respect to the actions incumbent on the bank, company and VPC – in case of VPC subject to the provisions of the Financial Instruments Accounts Act – the bank, company and VPC can not be held liable for loss due to Swedish or foreign legal decrees, Swedish or foreign action by public authorities, acts of war, strikes, blockades, boycotts, lockouts or other similar causes. The reservations with respect to strikes, blockades, boycotts and lockouts apply even if the bank, company or VPC themselves undertake or are the objects of such actions.

Neither the bank, the company nor VPC is under obligation to provide compensation for loss arising in other situations, if the bank, company and VPC have exercised normal prudence.

If the bank, company or VPC is hindered from taking action by circumstances such as those described in the first paragraph, the action may be deferred until the hindrance has ceased to exist.

§ 15 Governing law

These terms and conditions and relating legal matters shall be governed by Swedish law. Any action, claim or appeal with respect to these warrants shall be brought before the Stockholm District Court or other such forum that is accepted by the company in writing.
