



## **NOTICE OF ANNUAL GENERAL MEETING IN MEDA AB (publ)**

Notice is hereby given to the shareholders of Meda AB (publ), corp.reg.no 556427-2812, that the Annual General Meeting (AGM) will be held at 5.00 PM on Thursday, April 14, 2016, at Meda's headquarters at Pipers väg 2A, Solna, Sweden. Registration starts at 4.00 PM.

### **Right to participate**

Shareholders who wish to participate in the AGM shall:

- be registered in the share register held by Euroclear Sweden AB on Friday, April 8, 2016, and
- send notice of their intention to participate in the AGM to Meda by Friday, April 8, 2016.

In order to be entitled to vote at the AGM, shareholders whose shares are registered in the names of nominees must temporarily register their shares in their own names with Euroclear Sweden AB by Friday, April 8, 2016. Consequently, shareholders should notify nominees well in advance of that date.

### **Notification of attendance**

Notice of AGM participation shall be given via mail to Meda AB, Annual General Meeting, Box 7835, 103 98 Stockholm, Sweden, via phone at +46-8-402 90 49, or on the company's website [www.meda.se](http://www.meda.se). In the notice the shareholder's name, Swedish civil registration number or corp.reg.no, address, number of shares, phone number (daytime), and information about accompanying assistants (at most two) shall be stated. If participating by proxy, please submit the original proxy document to Meda before the AGM. The expiry date of the proxy document may be no more than five years from its issue. If the proxy is issued by a legal entity, a notarized copy of the registration certificate for the legal entity must also be submitted. The proxy form is available at [www.meda.se](http://www.meda.se), and will be sent to shareholders who request the form and specify an address.

### **Admission cards**

Admission cards that entitle shareholders to participate in the AGM will be sent out in advance. Admission cards should be received by shareholders no later than April 12, 2016. If a shareholder

has not received an admission card before the AGM, a new admission card can be requested at the information desk at the entrance of the AGM upon presentation of proper identification. Bus transportation to and from the AGM will be arranged from Stockholm's Central Station. Buses will be available at 3:45 PM and depart shortly thereafter. Preregistration is required. When registering for the AGM, indicate if bus transportation is desired.

### **Proposed agenda**

1. Opening of the AGM
2. Election of the AGM chairman
3. Establishment and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Consideration whether the AGM was duly convened
7. Presentation of the annual accounts and the auditor's report, the consolidated annual accounts and the consolidated auditor's report
8. CEO statement
9. Q&A session
10. Decisions regarding:
  - adoption of income statement and balance sheet and the consolidated income statement and consolidated balance sheet
  - disposition of company earnings as per the adopted balance sheet
  - discharge of the board members and CEO from liability
11. Determination of the number of board members and deputy board members to be appointed by the AGM
12. Determination of board remuneration and auditor's fees
13. Election of board members and auditors
14. Election of chairman of the board
15. Resolution concerning principles for appointment of the nomination committee
16. Resolution concerning guidelines for remuneration to senior executives
17. Resolution on authorization of the board to decide on issuing new shares
18. Resolution on authorization of the board to decide on purchase and sale of the company's own shares
19. Other business
20. Closing of the AGM

## Proposed resolutions

### *Item 10: Proposed dividend and record date for the dividend*

The board proposes an unchanged dividend of two krona and fifty öre per share (SEK 2.50), and that the record date for the dividend shall be April 18, 2016. If the AGM resolves in accordance with this proposal, the dividend is expected to be distributed under the direction of Euroclear Sweden AB on April 21, 2016. The last day for trading with the company's shares including right to dividend is April 14, 2016.

### *Item 2 and items 11-14: proposed AGM chairman, board members, remuneration and more*

In accordance with the resolution at the 2015 AGM, a nomination committee has been appointed for the 2016 AGM. The nomination committee for the 2016 AGM has consisted of Evert Carlsson (Swedbank Robur Fonder), Elisabet Jamal Bergström (Handelsbanken Fonder), Sigieri Diaz Pallavicini (Fidim S.r.l.), Bert-Åke Eriksson (Stena Sessan Rederi AB), committee chairman, and Martin Svalstedt, chairman of the board.

Under item 2 in the agenda, the nomination committee will propose the following:

that Martin Svalstedt is appointed as AGM chairman.

Under items 11-14, the nomination committee will propose the following:

that the board shall consist of nine (9) members (unchanged) and no deputy members be appointed (unchanged);

that the board remuneration shall be SEK 4,900,000 (last year SEK 4,750,000) of which the chairman shall receive SEK 1,000,000 (last year 900,000), the deputy chairman shall receive SEK 700,000 (last year SEK 650,000) and each of the other board members shall receive SEK 400,000 (unchanged);

that remuneration for work in the audit committee shall be set to SEK 200,000 (unchanged) of which SEK 100,000 (unchanged) for the committee chairman and SEK 50,000 (unchanged) for each of the other members;

that remuneration for work in the remuneration committee shall be set to SEK 200,000 (unchanged) of which SEK 100,000 (unchanged) for the committee chairman and SEK 50,000 (unchanged) for each of the other members;

that remuneration may be paid to a company designated by the board member against invoice provided that such arrangement is cost neutral to Meda AB;

that remuneration to the auditing firm be paid as per invoice for review of accounts and company administration as well as group audit;

that the following board members be re-elected:

- Peter Claesson
- Peter von Ehrenheim
- Luca Rovati
- Martin Svalstedt

- Karen Sörensen
- Lars Westerberg
- Guido Oelkers
- Kimberly Lein-Mathisen
- Lillie Li Valeur

that Martin Svalstedt be re-elected as chairman of the board;

that PricewaterhouseCoopers AB, which intends to elect Mikael Eriksson as auditor in charge, be re-elected as audit firm until the end of the next AGM.

Shareholders, who together represent about 36 percent of all votes in the company, have stated that they intend to vote in favor of the proposals.

*Item 15: Establishment of principles for appointment of the nomination committee*

The nomination committee proposes that the AGM approves the following guidelines for appointment of the nomination committee.

Meda's nomination committee shall consist of one representative of each of the four largest shareholders and the chairman of the board.

The chairman of the board will contact the four largest shareholders, based on information in the company's share register, kept by Euroclear Sweden AB, as of the last banking day in August 2016. Within fourteen (14) days of being contacted, the shareholders shall submit a response as to whether they wish to participate in the nomination work or not. If any of the four largest shareholders declines to exercise the right to appoint a member to the nomination committee, then the next largest shareholder shall be given the opportunity to appoint a member and shall submit a response within one week as to whether they wish to participate or not.

The names of the four owner representatives and the shareholders whom they represent shall be publicly announced as soon as the committee is appointed but not later than six months before the AGM. If at that point in time four owners have not declared their interest in participating in the nomination committee, the committee may then consist of fewer members.

The nomination committee's term of office extends until a new committee is appointed.

The nomination committee chairman shall be the committee member who represents the largest shareholder unless committee members agree otherwise. The nomination committee's first meeting will be opened by the chairman of the board. If a member leaves the nomination committee before its work is completed, then the owner that appointed the member has the right to appoint a new committee member. Nomination committee members will receive no remuneration.

If a significant change occurs in Meda's ownership structure and a shareholder which after this significant ownership change becomes one of the four largest shareholder expresses the desire to appoint a nomination committee member, then the nomination committee shall offer the shareholder a place on the committee by either deciding to replace the smallest shareholder (with the least number of votes) on the committee by this shareholder or to increase the committee's size by yet another member – but not to more than six members.

Changes in the nomination committee's composition must be announced as soon they occur.

The committee's task is to prepare and submit proposals to the AGM for:

- the election of AGM chairman,
- the election of chairman of the board and board members,
- board remuneration with specification for the chairman of the board, the deputy chairman of the board (if any) and other board members plus remuneration for committee work.
- the election of auditor and deputy auditor (if any), and auditor's fees,
- principles for appointment of the nomination committee.

The nomination committee may charge the company for costs that are necessary for enabling the committee to fulfill its obligations, such as costs for recruitment consultants and other consultants.

In conjunction with its assignment, the nomination committee shall comply with the Swedish Corporate Governance Code concerning nomination committee responsibilities.

*Item 16: Establishment of guidelines for remuneration to senior executives*

The board proposes that the AGM approves the following guidelines for remuneration to senior executives. The guidelines reflect the company's need to be able to recruit and motivate qualified employees via compensation that is competitive in various countries. The group's executive management team consists of the CEO and such senior executives representing management functions reporting directly to the CEO.

The guidelines for remuneration and other employment terms for the company's group executives are based on existing agreements and mean:

- (i) that Meda shall strive to offer its executives market-based remuneration/compensation,
- (ii) that the criteria shall be based on the significance of responsibilities, competence requirements, experience and performance, and
- (iii) that the remuneration will consist of:
  - fixed base salary
  - short-term variable pay
  - long-term variable pay
  - pension benefits, and
  - other benefits and severance terms and conditions

Distribution between base salary and variable pay shall be proportionate to the executive's responsibility and authority levels.

Short-term variable pay is entirely performance-based, partly on group profit and partly on individual qualitative parameters. The variable pay, in the case of the CEO, must not exceed 80 percent of the fixed base salary and, in the case of other senior executives, must not exceed 50 percent of the fixed base salary.

Long-term variable pay may include one or several share-related incentive programs.

Pension benefits shall reflect customary market terms. Pension basing salary consists of base salary and variable salary. Other benefits will be mainly a company car. Further benefits may be customary benefits in connection with an executive moving for work abroad. Such benefits may

include temporary accommodation, tuition fees, moving costs, tax filing assistance and similar benefits.

Base salary during the period of notice for termination and severance pay shall together not exceed an amount equivalent to two years' fixed and variable remuneration. Upon closing of a change of control of Meda, the terms of the CEO will be modified, see the Group's note 8 of the 2015 annual report for further details.

The remuneration committee shall prepare matters concerning remuneration to group executives for resolution by the board. If there are justifiable reasons, the board may deviate from the above remuneration principles for executives.

*Item 17: Authorization of the board to decide on issuing new shares*

The board proposes that the AGM authorizes the board to decide on the increase of the company's share capital by share issues of class A and/or class B shares on one or more occasions during the period until the next AGM. Authorization shall cover a maximum of 36 546 737 shares (corresponding to a dilution effect of a maximum of about 10 percent of share capital and votes based on the total number of votes in the company at the time of the 2016 AGM).

The proposal would authorize the board to decide on payment in kind, offset, or other terms as specified in chapter 13, section 5, paragraph 1, item 6 in the Swedish Companies Act, on deviation from shareholders' preferential rights and on any other terms and conditions for the issues. The authorization does not extend to decisions regarding cash issues. Prevailing market conditions will determine the issue rate.

The reason for the authorization to deviate from preferential rights and to decide on issues with or without provisions specified in chapter 13, section 5, paragraph 1, item 6 in the Swedish Companies Act is that Meda would be able to issue shares as purchase price payments in connection with acquisitions of other companies, parts of companies, product rights or other assets that the board deems to be of value for the company's operation.

For a resolution according to the boards' proposal in this item 17, the AGM resolution must be supported by shareholders representing at least two-thirds of the votes and of the shares represented at the meeting.

*Item 18: Authorization of the board to decide on purchase and sale of the Company's own shares*

The board proposes that the AGM authorizes the board to, at one or more occasions, decide on the purchase and sale of class A shares substantially according to the following. Shares may only be purchased at Nasdaq Stockholm at a price within the current share price interval. Shares may be purchased so that the company holds no more than ten percent of the total shares and votes in the company. Own shares may be sold at Nasdaq Stockholm at a price within the current share price interval. Shares totaling the number of own shares currently held by the company at the time may be sold. The purpose of the proposal is to facilitate adjustment of the company's capital structure and thus contribute to increased shareholder value.

This authorization is valid until the 2017 AGM.

For a resolution according to the board's proposal in this item 18, the AGM resolution must be supported by shareholders representing at least two-thirds of the votes and of the shares represented at the meeting.

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## **Further information**

At the time of publication of this notice, the number of shares and votes in Meda total 365 467 371. Only class A shares have been issued. The company holds no own shares.

On or before March 24, 2016, the board's complete proposal, the 2015 annual accounts, documentation as per Chapter 18, section 4, Chapter 19 Section 22 and auditor statement as per Chapter 8 section 54 of the Swedish Companies Act and the nomination committee's motivated opinion on the proposed board will be made available at company headquarters at Pipers väg 2, Solna, Sweden and on the company's website ([www.meda.se](http://www.meda.se)). The documentation will be sent by mail to shareholders who so request and submit their address; it will also be available at the AGM.

On the request by a shareholder, the board and the CEO shall provide information at the AGM concerning conditions that could influence the assessment of an item on the agenda, the company's financial situation, or a subsidiary's financial situation or its relations to another group company, provided that the board deems that disclosure is possible without causing material damage to the company.

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Solna, Sweden, March 2016

The board of directors

Meda AB (publ)