

# *Investment AB Kinnevik*

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## **NOTICE TO ATTEND THE ANNUAL GENERAL MEETING**

**The Shareholders of Investment AB Kinnevik (publ) are hereby invited to the Annual General Meeting of shareholders on Monday 7 May 2012 at 10.00 a.m. CET at the Hotel Rival, Mariatorget 3 in Stockholm.**

### **NOTIFICATION ETC.**

Shareholders who wish to attend the Annual General Meeting shall

- be entered in the share register maintained by Euroclear Sweden AB on Monday 30 April 2012,
- give notice of their attendance no later than on Monday 30 April 2012 at 3.00 p.m. CET. The notification may be submitted on the Company's website at [www.kinnevik.se](http://www.kinnevik.se), by telephone to +46 (0) 771 246 400 or in writing to the address Investment AB Kinnevik, c/o Computershare AB, P.O. Box 610, SE-182 16 Danderyd, Sweden.

The notification should state the name, personal identification number or company registration number, address, telephone number, shareholdings and advisors, if applicable. Shareholders whose shares are registered in the names of nominees must temporarily re-register the shares in their own name in order to be entitled to attend the Annual General Meeting. Shareholders who wish to make such re-registration must inform the nominees well before Monday 30 April 2012. Shareholders represented by proxy or a representative should submit a power of attorney, certificate of registration or other documents of authorisation to Kinnevik at the address above well before the Annual General Meeting, and preferably not later than Monday 30 April 2012. A template proxy form is available on the company's website [www.kinnevik.se](http://www.kinnevik.se). Shareholders cannot vote or, in other way, participate on distance.

### **PROPOSED AGENDA**

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check and verify the minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Statement by the Chairman of the Board on the work of the Board of Directors.
8. Presentation by the Chief Executive Officer.
9. Presentation of the Annual Report and Auditor's Report and of the Group Annual Report and the Group Auditor's Report.

10. Resolution on the adoption of the Profit and Loss Statement and the Balance Sheet and of the Group Profit and Loss Statement and the Group Balance Sheet.
11. Resolution on the proposed treatment of the Company's earnings as stated in the adopted Balance Sheet.
12. Resolution on the discharge of liability of the directors of the Board and the Chief Executive Officer.
13. Determination of the number of directors of the Board.
14. Determination of the remuneration to the directors of the Board and the auditor.
15. Election of the directors of the Board and the Chairman of the Board.
16. Approval of the procedure of the Nomination Committee.
17. Resolution regarding guidelines for remuneration to senior executives.
18. Resolution regarding incentive programme comprising the following resolutions:
  - (a) adoption of an incentive programme;
  - (b) authorisation for the Board of Directors to resolve on new issue of C-shares;
  - (c) authorisation for the Board of Directors to resolve to repurchase own C-shares; and
  - (d) transfer of B-shares.
19. Resolution to authorise the Board of Directors to resolve on repurchase of own shares.
20. Resolution on amendment of the Articles of Association.
21. Resolution to approve a new issue of shares in Investment AB Kinnevik's subsidiary Milvik AB.
22. Resolution to approve a new issue of warrants in Investment AB Kinnevik's subsidiary Relevant Traffic Sweden AB.
23. Shareholder Thorwald Arvidsson's proposal to resolve on:
  - (a) purchase and distribution of a book to the shareholders; and
  - (b) instruction to the Board of Directors to found an association for small and mid-size shareholders.
24. Closing of the Annual General Meeting.

## **RESOLUTIONS PROPOSED BY THE NOMINATION COMMITTEE**

### **Election of Chairman of the Annual General Meeting (item 2)**

The Nomination Committee proposes that the lawyer Wilhelm Lüning is elected to be the Chairman of the Annual General Meeting.

### **Determination of the number of directors of the Board and election of the directors of the Board and the Chairman of the Board (items 13 and 15)**

The Nomination Committee proposes that the Board of Directors shall consist of seven directors and no deputy directors.

The Nomination Committee proposes, for the period until the close of the next Annual General Meeting, the re-election of Tom Boardman, Vigo Carlund, Dame Amelia Fawcett, Wilhelm Klingspor, Erik Mitteregger, Allen Sangines-Krause and Cristina Stenbeck as directors of the Board.

The Nomination Committee proposes that the Meeting shall re-elect Cristina Stenbeck as Chairman of the Board of Directors.

The Nomination Committee's motivated statement explaining its proposals regarding the Board of Directors and information about the proposed directors of the Board are available on Company's website at [www.kinnevik.se](http://www.kinnevik.se).

#### **Determination of the remuneration to the Directors of the Board and the auditor (item 14)**

The Nomination Committee proposes that the Annual General Meeting resolve to increase the individual Board members' remuneration by 5 percent. The Nomination Committee proposes that SEK 1,050,000 (2011: 1,000,000) is to be allocated to the Chairman of the Board, SEK 472,500 (2011: 450,000) to each of the other directors of the Board and a total of SEK 525,000 for the work in the committees of the Board of Directors. The Nomination Committee proposes that for work within the Audit Committee SEK 157,500 shall be allocated to the Chairman and SEK 78,750 to each of the other three members. For work within the Remuneration Committee SEK 52,500 shall be allocated to the Chairman and SEK 26,250 to each of the other three members. This will result in an increase of the total remuneration to the directors of the Board, from SEK 4,325,000 to SEK 4,410,000 for the period until the close of the next Annual General Meeting in 2013.

Finally, remuneration to the auditor shall be paid in accordance with approved invoices.

#### **Approval of the procedure of the Nomination Committee (item 16)**

The Nomination Committee proposes that the Annual General Meeting approves the following procedure for preparation of the election of the Board of Directors and auditor. The work of preparing a proposal of the Board of Directors and auditor, in the case that an auditor should be elected, and their remuneration as well as the proposal of the Chairman of the Annual General Meeting of 2013 shall be performed by a Nomination Committee. The Nomination Committee will be formed during October 2012 in consultation with the largest shareholders of the Company as per 30 September 2012. The Nomination Committee will consist of at least three members representing the largest shareholders of the Company. The Nomination Committee is appointed for a term of office commencing at the time of the announcement of the third quarter report in 2012 and ending when a new Nomination Committee is formed. The majority of the members of the Committee may not be directors of the Board of Directors or employed by the Company. If a member of the Committee resigns before the work is concluded, a replacement member may be appointed after consultation with the largest shareholders of the Company. However, unless there are special circumstances, there shall not be changes in the composition of the Nomination Committee if there are only marginal changes in the number of votes, or if a change occurs less than three months prior to the Annual General Meeting. Cristina Stenbeck will be a member of the Committee and will also act as its convenor. The members of the Committee will appoint the Committee Chairman at their first meeting. The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the Company, and to charge the Company with costs for recruitment consultants if deemed necessary.

#### **Information with respect to the election of auditor**

The registered accounting firm Ernst & Young AB was elected as auditor, with the Authorised Public Accountant Thomas Forslund as auditor in charge, at the Annual General Meeting in 2009, for a period of four years. The task of appointing an auditor is not scheduled to occur until 2013. Accordingly, election of auditor will not occur at the Annual General Meeting 2012.

### **RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS**

#### **Dividend (item 11)**

The Board of Directors proposes a dividend of SEK 5.50 per share. The record date is proposed to be on Thursday 10 May 2012. The dividend is estimated to be paid out to the shareholders on Tuesday 15 May 2012.

A reasoned statement from the Board of Directors, pursuant to Ch 18 Sec 4 of the Companies Act (2005:551), with respect to the proposed dividend is available on the Company's website at [www.kinnevik.se](http://www.kinnevik.se), at the Company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

### **Guidelines for remuneration to senior executives (item 17)**

The Board of Directors proposes that the Annual General Meeting 2012 approves that the following guidelines for determining remuneration to senior executives in the Group, adopted by the Annual General Meeting 2011, shall remain unchanged. Senior executives covered include the CEO in the Parent Company, other senior executives in the Parent Company and the CEO of Korsnäs ("**Senior Executives**") as well as directors of the Board to the extent they are remunerated outside their Directorship. At present the number of Senior Executives amounts to six individuals.

The remuneration to the Senior Executives shall consist of fixed salary, variable salary, as well as the possibility to participate in a long-term incentive programme, pension and other customary benefits. These components shall create a well-balanced remuneration which reflects individual performance and which offers a competitive remuneration package adjusted to conditions in the market.

- The fixed salary is revised yearly and based on the executive's competence and area of responsibility.
- The variable salary may not exceed 50 percent of the fixed salary and is calculated according to a combination of results achieved and individual performance.
- Other benefits shall only constitute a limited amount in relation to the total remuneration and shall correspond to local practice.
- Pension premiums are paid to insurance companies within the framework of defined contribution plans, with a maximum of 20 percent of the fixed salary.
- In the event of notice of termination of employment being served by the Company, there is entitlement to salary during a notice period of a minimum of 6 and a maximum of 18 months. Salary during the notice period is reduced by salary received from a potential new employment.
- Board Members, elected at General Meetings, may in certain cases receive a fee for services performed within their respective areas of expertise, outside of their Board duties. Compensation for these services shall be paid at market terms and be approved by the Board of Directors.

In special circumstances, the Board may deviate from the above guidelines. In such case, the Board is obligated to give account for the reason for the deviation at the following Annual General Meeting.

In accordance with the Swedish Code of Corporate Governance, the Remuneration Committee within the Board of Directors monitors and evaluates the application of the guidelines for remuneration to the Senior Executives established by the Annual General Meeting. The evaluation has resulted in the conclusion that the guidelines adopted by the Annual General Meeting have been followed during 2011. Furthermore, the Company's auditor has, pursuant to Ch 8 Sec 54 of the Companies Act (2005:551), provided a statement with respect to whether there has been compliance with the guidelines for remuneration to the Senior Executives which have applied since the previous Annual General Meeting.

The Auditor's statement and the Board of Directors' report of the result of the Remuneration Committee's evaluation are available on the Company's website at [www.kinnevik.se](http://www.kinnevik.se), at the Company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

### **Incentive programme (items 18(a)-(d))**

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance-based incentive programme for senior executives (not referring to directors of the Board) and other key employees within the Kinnevik Group in accordance with items 18(a)-18(d) below. All resolutions are conditional upon each other and it is therefore proposed that all of these proposals shall be adopted as one resolution. Valid resolution requires support of shareholders holding at least nine-tenth of both the votes cast and the shares represented at the Annual General Meeting.

## ***Adoption of an incentive programme (item 18(a))***

### *Summary of the programme*

The Board of Directors proposes that the Annual General Meeting resolves to adopt a performance based incentive plan (the "**Plan**"), with the same structure as the plan that was adopted last year. The Plan is proposed to include in total a maximum of 42 senior executives and other key employees within the Group.

### *Personal investment*

In order to participate in the Plan, the employees must purchase shares in Kinnevik. These shares can either be shares in Kinnevik already held, which have not already been allocated to earlier incentive programmes or shares acquired on the market in connection with the notification to participate in the Plan. If the participant has insider information which prevents him/her from purchasing Kinnevik shares in connection with the notification to participate in the Plan the shares shall be purchased as soon as possible, but prior to the next Annual General Meeting.

For each share held by the employee under the Plan, Kinnevik will grant retention rights and performance rights, free of charge, to the employee.

### *General conditions*

Subject to fulfilment of certain retention and performance based conditions during the period 1 April 2012 – 31 March 2015 (the "**Measurement Period**"), the participant maintaining the employment within Kinnevik, and thereto associated companies, at the release of the interim report for the period January – March 2015 and subject to the participant maintaining the shares which have been allocated to the Plan during the vesting period ending at the release of the interim report for the period January – March 2015, each right entitles the participant to receive one B-share in Kinnevik free of charge. Dividends paid on the underlying share will increase the number of shares that each retention right and performance right entitles to in order to align the participants and the shareholders interests.

### *Performance conditions*

The rights are divided into Series A; retention rights and Series B-E; performance rights. The number of shares the participant will receive depends on which group the participant belongs to and on the fulfilment of the following defined retention and performance based conditions:

- Series A*      Kinnevik's total return on the B-share (TSR) during the Measurement period exceeding 0 percent as entry level.
- Series B*      Kinnevik's average annual total return on the B-share (TSR) during the Measurement period being equal to the SIX Return Index ("**SIXRX**") based on the total shareholder return on companies listed on the NASDAQ OMX Stockholm as entry level and exceeding SIXRX with 6 percentage points as the stretch target.
- Series C*      Average annual internal rate of return (IRR) on investments within Kinnevik's new ventures (defined as investments within online, microfinancing, agriculture and renewable energy) during the Measurement period being 15 percent as entry level and 25 percent as the stretch target.
- Series D*      Korsnäs' average normalised return on operational capital employed during the Measurement Period being 11 percent as entry level and 15 percent as the stretch target.
- Series E*      Metro's average normalised operating margin during the Measurement Period being 10 percent as entry level and 12 percent as the stretch target.

The determined levels of the conditions include an entry level and a stretch target with a linear interpolation applied between those levels as regards the number of rights that vests. The entry level constitutes the minimum level which must be reached in order to enable vesting of the rights in that series. If the entry level is reached, the number of rights that vests is proposed to be 100 percent for Series A and 20 percent for Series B-E. If the entry level is not reached all rights in that series lapse. If

a stretch target is met all rights vest in that series. The Board of Directors intends to disclose the outcome of the retention and performance based conditions in the annual report of 2015.

### *Rights*

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

- Allotted free of charge after the Annual General Meeting 2012. If the participant is in an insider position which prevents allotment of rights to him/her, the allotment shall be executed as soon as possible, but prior to the next Annual General Meeting.
- May not be transferred or pledged.
- Vest after the release of the interim report for the period January – March 2015.
- Dividends paid on the underlying share will increase the number of shares that each retention right and performance right entitles to, in order to align the participants and shareholders' interests.
- Vest provided that the holder is still employed by Kinnevik, and thereto associated companies, and has maintained the personal investment during the vesting period ending at the release of the interim report for the period January – March 2015.

### *Preparation and administration*

The Board of Directors, or a committee established by the Board of Directors for these purposes, shall be responsible for preparing the detailed terms and conditions of the Plan, in accordance with the mentioned terms and guidelines. To this end, the Board shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board may also make other adjustments if significant changes in the Kinnevik Group, or its operating environment, would result in a situation where the decided terms and conditions to execute the personal investment in shares, and the allotment of rights and shares under the Plan become irrelevant.

### *Allocation*

In total, the Plan is estimated to comprise up to 41,900 shares held by the employees entitling up to 205,100 rights, of which 41,900 are retention rights and 163,200 are performance rights. In accordance with the above principles and assumptions, the Plan will comprise the following number of invested shares and maximum number of rights for the different groups:

- the CEO of Kinnevik can acquire up to 4,000 shares within the Plan, each invested share entitling to allotment of 1 Series A right, 1.5 Series B rights, 2.5 Series C rights, 1 Series D right and 1 Series E right, a total of 7 rights per invested share;
- four key employees in Kinnevik can each acquire up to 2,000 shares within the Plan, each invested share entitling to allotment of 1 Series A right, 1.5 Series B rights, up to 3 Series C rights and up to 1 Series D right, however each participant may be granted a maximum of 5.5 rights per invested share;
- two key employees in Kinnevik can each acquire up to 1,500 shares within the Plan, each invested share entitling to allotment 1 Series A right, 1.5 Series B rights, up to 3 Series C rights, up to 1 Series D right and up to 1 Series E right, however each participant may be granted a maximum of 5.5 rights per invested share;
- seven key employees of Kinnevik can each acquire up to 700 shares within the Plan, each invested share entitling to allotment of 1 Series A right and 1.5 rights each of Series B and C, a total of 4 rights per invested share;
- five key employees of Kinnevik can each acquire up to 400 shares within the Plan, each invested share entitling to allotment of 1 Series A right and 1.5 rights each of Series B and C, a total of 4 rights per invested share;
- the CEO of Korsnäs can acquire up to 2,000 shares within the Plan, each invested share entitling to allotment of 1 Series A right, 1.5 Series B rights and 3 Series D rights, a total of 5.5 rights per invested share;

- 11 other members of Korsnäs' management team can each acquire up to 700 shares within the Plan, each invested share entitling to allotment of 1 right each of Series A and B and 2 Series D rights, a total of 4 rights per invested share;
- two members of Metro's management team can each acquire up to 2,000 shares within the Plan, each invested share entitling to allotment of 1 Series A right, 1.5 Series B rights and 3 Series E rights, a total of 5.5 rights per invested share; and
- nine key employees in Metro can each acquire up to 700 shares within the Plan, each invested share entitling to allotment of 1 right each of Series A and B and two Series E rights, a total of 4 rights per invested share.

#### *Scope and costs of the Plan*

The Plan will be accounted for in accordance with IFRS 2 which stipulates that the rights should be recorded as a personnel expense in the income statement during the vesting period. Based on the assumptions of a share price of SEK 154.10 (closing share price of the Kinnevik B-share on 26 March 2012), a maximum participation, an annual employee turnover of 10 percent, an average fulfilment of performance conditions of approximately 50 percent, and full vesting of retention rights, the cost for the Plan, excluding social security costs, is estimated to approximately SEK 12.9 million. The cost will be allocated over the years 2012 – 2015.

The estimated social security costs will also be recorded as a personnel expense in the income statement by current provisions. The social security costs are estimated at around SEK 6.3 million with the assumptions above and an average social security tax rate of approximately 31 percent and an annual share price increase of 10 percent per underlying Kinnevik B-share during the vesting period.

Recalculation of final allotments of shares shall take place in the event of an intervening bonus issue, reversed split, split, rights issue and/or other similar events.

The participant's maximum profit per right in the Plan is limited to SEK 726 per right (including possible compensation that the participants receive for dividends to the shareholders), which corresponds to approximately five times average closing share price of the Kinnevik B-share on during February 2012. If the value of the Kinnevik B-share at vesting exceeds SEK 726 the number of shares each right entitles the employee to receive will be reduced accordingly.

The maximum dilution is no more than 0.08 percent in terms of shares outstanding, 0.03 percent in terms of votes and 0.03 percent in terms of costs for the Plan as defined in IFRS 2 divided by Kinnevik's market capitalisation.

If the maximum profit of SEK 726 per right is reached, all invested shares remain in the Plan and a fulfilment of the performance conditions of 100 percent, the maximum cost of the Plan as defined in IFRS 2 is approximately SEK 24.1 million and the maximum social security cost is approximately SEK 46.8 million.

The costs and dilution are expected to have marginal effect on key ratios of the Kinnevik Group.

#### *Delivery of shares under the Plan*

To ensure the delivery of B-shares under the Plan and in accordance with the plan 2011 resolved upon at the Annual General Meeting 2011, the Board of Directors proposes that the Annual General Meeting authorises the Board to resolve on a directed new issue of 325,000 C-shares to Nordea Bank AB (publ) in accordance with item 18(b), and authorises the Board of Directors to subsequently resolve to repurchase the C-shares from Nordea Bank AB (publ) in accordance with item 18(c).

#### *The rationale for the proposal*

The objective of the Plan is to create conditions for recruiting and retaining employees in the Group. The Plan has been designed based on the view that it is desirable that senior executives and other key employees within the Group are shareholders. Participation in the Plan requires a personal investment in Kinnevik shares, be it shares already held or shares purchased on the market in connection with the Plan. Linking the employee's remuneration to Kinnevik's result and value creation will promote continued loyalty to Kinnevik and thereby long-term value creation. Against this background, the

Board of Directors is of the opinion that the adoption of the Plan as set out above will have a positive effect on Kinnevik's future development and thus be beneficial for both the Company and its shareholders.

*Preparation of the proposal*

Kinnevik's Remuneration Committee has prepared this Plan in consultation with external advisors and major shareholders. The Plan has been reviewed at meetings of the Board of Directors during the end of 2011 and the first months of 2012.

The above proposal is supported by major shareholders in Kinnevik.

*Information regarding other incentive programmes in Kinnevik*

For senior executives and key employees in Kinnevik there are three long-term incentive plans (the "Plans"). The Plans cover the periods 1 April 2009 – 31 March 2012, 1 April 2010 – 31 March 2013 and 1 April 2011 – 31 March 2014, and allotment of shares within the Plans is executed at the time of publication of the interim reports for January – March 2012, January – March 2013 and January – March 2014 respectively. For further information regarding the Plans such as terms and conditions, participation ratio, number of issued and outstanding instruments etc. please refer to the Annual Report 2011, note 30, and Kinnevik's website at [www.kinnevik.se](http://www.kinnevik.se).

***Authorisation for the Board of Directors to resolve on a new issue of C-shares (item 18(b))***

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to increase Kinnevik's share capital by not more than SEK 32,500 by the new issue of not more than 325,000 C-shares, each with a ratio value of SEK 0.10. With deviation of the shareholders' preferential rights, Nordea Bank AB (publ) shall be entitled to subscribe for the new C-shares at a subscription price corresponding to the ratio value of the shares. The purpose of the authorisation and the reason for the deviating from the shareholders' preferential rights in the new issue of shares is to ensure delivery of B-shares to participants under the Plan and the plan adopted 2011.

***Authorisation for the Board of Directors to resolve to repurchase own C-shares (item 18(c))***

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to repurchase its own C-shares. The repurchase may only be effected through an offer directed to all holders of C-shares and shall comprise all outstanding C-shares. The purchase may be effected at a purchase price corresponding to not less than SEK 0.10 and not more than SEK 0.11. Payment for the C-shares shall be made in cash. The purpose of the repurchase is to ensure the delivery of B-shares under the Plan and the plan adopted 2011.

A reasoned statement from the Board of Directors, pursuant to Ch 19 Sec 22 of the Companies Act (2005:551), with respect to the proposed repurchase of own C-shares in order to ensure delivery of B-shares under the Plan and the plan 2011 is available on the Company's website at [www.kinnevik.se](http://www.kinnevik.se), at the Company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

***Transfer of B-shares (item 18(d))***

The Board of Directors proposes that the Annual General Meeting resolves that maximum 325,000 C-shares held by Kinnevik after reclassification into B-shares may be transferred to participants in accordance with the terms and conditions of the Plan. The number of the shares that may be transferred shall be subject to recalculation in the event of an intervening bonus issue, reversed split, split, rights issue and/or other similar events.

***Authorisation for the Board of Directors to resolve on repurchase of own shares (item 19)***

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to pass a resolution on repurchasing the Company's own shares in accordance with the following conditions:



1. The repurchase of A-shares and/or B-shares shall take place on the NASDAQ OMX Stockholm in accordance with the rules regarding purchase and sale of own shares as set out by NASDAQ OMX Stockholm.
2. The repurchase of A-shares and/or B-shares may take place on one or more occasions for the period up until the next Annual General Meeting.
3. So many A-shares and/or B-shares may, at the most, be repurchased so that the Company's holding does not at any time exceed 10 percent of the total number of shares in the Company.
4. The repurchase of A-shares and/or B-shares at the NASDAQ OMX Stockholm may occur at a price within the share price interval registered at that time, where share price interval means the difference between the highest buying price and lowest selling price.
5. It is the from time to time lowest-priced, available, shares that shall be repurchased by the Company.
6. Payment for the shares shall be in cash.

The purpose of the authorisation is to give the Board of Directors flexibility to continuously decide on changes to the capital structure during the year and thereby contribute to increased shareholder value.

A reasoned statement from the Board of Directors, pursuant to Ch 19 Sec 22 of the Companies Act (2005:551), with respect to the proposed repurchase of own Class A shares and/or B shares is available on the Company's website at [www.kinnevik.se](http://www.kinnevik.se), at the Company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

#### **Amendment of the Articles of Association (item 20)**

The Board of Directors proposes the Annual General Meeting resolves to amend the Articles of Association. The proposed amendments essentially comprise the following:

- The Company's business shall be to own and manage real property and movables, primarily within the following business sectors; Paper & Packaging, Telecom & Services, Media, Online, Microfinancing, Agriculture and Renewable energy (§ 2 second paragraph).
- The possibility to issue preference shares of Class B is removed (§ 4).
- The Board of Directors shall not consist of deputy directors (§ 6).
- The stated time (3.00 p.m.) in the provision concerning the shareholders' notice of attendance at the General Meeting is deleted (§7 second paragraph.)

*Current wording*

*Proposed wording*

#### **§ 2 second paragraph**

The Company's business shall be to own and manage real estate and chattels *and to, primarily within the business areas set out in a) – f) below, trade in real estate and chattels, as well as via partly or fully owned enterprises*

- (a) *conduct agricultural and forestry business,*
- (b) *conduct industrial operations, primarily manufacturing of pulp, paper and packaging materials, production of power and energy as well as production, development and construction of telecommunication equipment and other electronic equipment,*
- (c) *conduct financial operations such as banking operations, securities operations, insurance operations, operations related to mutual funds, financing operations, giving of investment advice and trading in money and bonds, with the necessary licenses or authorizations from authorities where relevant,*

The object of the Company's business shall be to own and manage real property and movables, *primarily through investments within the following business sectors:*

- (a) *Telecom and services operations,*
- (b) *E-commerce and other online services,*
- (c) *Media,*
- (d) *Financial operations within insurance, microfinancing as well as other financing operations, with the necessary licenses or authorizations from authorities where relevant*
- (e) *Pulp, paper and packaging as well as forestry operations and energy production, with focus on renewable energy,*
- (f) *Agriculture, and*
- (g) *Renewable energy.*

*Furthermore, the object of the Company's business shall be to conduct business operations compatible with the above mentioned businesses.*

- (d) *conduct consultancy operations and operations within media and telecommunications, conduct service operations related to customer care and call center services as well as arrange, develop and market products and services related to games, lotteries and competitions,*
- (e) *own and manage real estate and chattels and to, primarily within the business areas set out in a) – d) above, trade in real estate and chattels, as well as*
- (f) *conduct business operations compatible with the above mentioned businesses.*

#### § 4

The share capital shall be not less than SEK 23,700,000 and not more than SEK 94,800,000.

The number of shares in the Company shall be not less than 237,000,000 and not more than 948,000,000.

The Company's shares shall be of three classes, Class A, Class B and Class C. Shares of Class A may be issued up to a maximum of not more than 224,593,800 shares. *All shares of Class A are ordinary shares.* Shares of Class B may be issued up to a maximum number of shares that represents the full share capital of the Company. *Shares of Class B may, to a maximum of not more than 666,675,000 shares, be issued as preference shares.* Shares of Class C may be issued up to a maximum number of shares that represents the full share capital of the Company. *All shares of Class C are ordinary shares.*

Class C shares do not entitle to dividends. *Preference shares carry a preferential right to the Company's assets as follows. In case of distribution of the Company's assets to the shareholders, the preference shares shall, before any ordinary share is credited any of what is to be distributed, be credited an amount equivalent to their ratio value. The balance that might thereafter remain to be distributed shall, based on the same principle, be credited the ordinary shares, where after any remaining balance shall be divided equally among all shares. Class C shares have limited right to assets in the distribution,* corresponding to the ratio value of the share adjusted for an interest factor of STIBOR 30 days with the addition of 1 percentage point calculated from the day of payment of the subscription price. STIBOR 30 days is set on the first business day of each calendar month.

*Preference shares are redeemable at the request of the Company. A resolution to redeem shall be made by the Board. The redemption price per preference share shall correspond to the highest of 70 percent of the part of the net worth of the Company that such share represents, and SEK 0.4. When applying this section, the net worth of the Company shall be deemed to be the equity of the Company according to the latest adopted balance sheet, with an addition of 50 percent of the untaxed reserves according to such balance sheet and 50 percent of surplus values of the assets.* Shares of Class C are redeemable at the request of the Company. The redemption price per share of Class C shall correspond to the ratio value of the share adjusted for an interest factor of STIBOR 30 days with the addition of 1 percentage point calculated from the day of payment of the subscription price. STIBOR 30 days shall be initially set on the day of payment of the subscription price. If the

The share capital shall be not less than SEK 23,700,000 and not more than SEK 94,800,000.

The number of shares in the Company shall be not less than 237,000,000 and not more than 948,000,000.

The Company's shares shall be of three classes, Class A, Class B and Class C. Shares of Class A may be issued up to a maximum of not more than 224,593,800 shares. Shares of Class B may be issued up to a maximum number of shares that represents the full share capital of the Company. Shares of Class C may be issued up to a maximum number of shares that represents the full share capital of the Company.

Class C shares do not entitle to dividends. *Upon the Company's liquidation Class C shares have limited right to assets in the distribution,* corresponding to the ratio value of the share adjusted for an interest factor of STIBOR 1M with the addition of 1 percentage point calculated from the day of payment of the subscription price. STIBOR 1M is set on the first business day of each calendar month.

Shares of Class C are redeemable at the request of the Company. The redemption price per share of Class C shall correspond to the ratio value of the share adjusted for an interest factor of STIBOR 1M with the addition of 1 percentage point calculated from the day of payment of the subscription price. STIBOR 1M shall be initially set on the day of payment of the subscription price. If the Board resolves to redeem less than the total number of shares outstanding at the time of such resolution, the holders of outstanding shares shall, in the manner prescribed for giving notice of General Meetings of the shareholders, be offered to within a certain time period request that their shares are redeemed. If such redemption is requested as regards a higher or lower number of shares than the number of shares that the Board has decided to redeem, and if not all shareholders that have requested redemption have agreed differently, then the question of which shares that are to be redeemed shall be

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Disputes concerning the redemption price shall be settled by arbitration in accordance with the Swedish Arbitration Act, whereby the rules of voting in civil action procedures set out in the Code of Judicial Procedure shall apply.

Upon decision by the Board, Class C shares shall be reclassified into Class B shares, provided that the shares are held by the Company. Immediately thereafter, the Board shall report the reclassification to the Swedish Companies Register (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD register.

In voting shares of Class A shall have ten (10) votes and shares of Class B and Class C shall have one (1) vote.

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## § 6

The Board of Directors shall consist of no less than three and no more than nine Directors *and not more than three Deputy Directors*.

The Board of Directors shall consist of no less than three and no more than nine Directors *elected by the General Meeting*.

## § 7 second paragraph

To be able to participate in a General Meeting, a shareholder shall give the Company notice of his intention to attend not later than on 3.00 p.m. the day mentioned in the notice convening the meeting. This day may not be a Sunday, any other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Years Eve and may not be earlier than the fifth working day before the Meeting.

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The Articles of Association in its new proposed wording is available on the Company's website at [www.kinnevik.se](http://www.kinnevik.se), at the Company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

### **Approval of new issue of shares in the subsidiary Milvik AB (item 21)**

The Board of Directors proposes that the Annual General Meeting approves to issue new shares in the subsidiary Milvik AB, as resolved at the Extraordinary Meeting in Milvik AB held on 16 February 2012. Assuming that the new issue is fully subscribed, the number of shares in Milvik AB will be increased by 190,000, from the existing 2,310,000 to 2,500,000, and the share capital will be increased by SEK 9,500, from the existing SEK 115,500 to SEK 125,000.

Seven executives in Milvik AB are entitled to subscribe for new shares in the new issue, with deviation from the shareholders' preferential rights. In the event that the new issue of shares is not fully subscribed by the executives, Kinnevik New Ventures AB (a wholly-owned subsidiary of Investment AB Kinnevik) is under certain conditions entitled to subscribe for the remaining shares. Subscription for the new shares shall be no later than 8 August 2012, and payment for the new shares shall be made in connection with the subscription, however no later than 10 August 2012.

The reason for the deviation from the shareholders' preferential rights is to implement the ownership and capital structure that all shareholders in Milvik AB and the persons entitled to subscribe have agreed upon separately. The subscription price has been determined after a negotiation between Milvik AB's existing shareholders and the persons entitled to subscribe for new shares. The so called Leo-rules in Ch 16 of the Companies Act (2005:551) are applicable to the new issue of shares and accordingly it is conditional upon approval of the General Meeting of Investment AB Kinnevik.

Milvik AB's Extraordinary General Meeting resolution regarding the new issue of shares is available on Kinnevik's website at [www.kinnevik.se](http://www.kinnevik.se), at Kinnevik's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

#### **Approval of new issue of warrants in the subsidiary Relevant Traffic Sweden AB (item 22)**

The Board of Directors proposes that the Annual General Meeting approves the resolution to issue warrants in the indirect subsidiary Relevant Traffic Sweden AB. Upon subscription, the granted warrants may increase the number of shares by a total of 205, from 1,000 to 1,205, and the share capital may increase by a maximum of SEK 20,500, from SEK 100,000 to SEK 120,500.

With deviation from the shareholders' pre-emption rights, the managing director, senior employees and other people employed at Relevant Traffic Sweden AB are entitled to subscribe for the warrants. The subscription of warrants shall be completed by 22 May 2012, unless the board of directors of Relevant Traffic Sweden AB extend the subscription period. Payment shall be made in connection with the subscription.

The reason for deviating from the shareholders' pre-emption rights is that the managing director, senior employees and other employees at Relevant Traffic Sweden AB, through their subscription of warrants, shall be given the opportunity to become shareholders in Relevant Traffic Sweden AB. For each warrant a sum of SEK 1,800 shall be paid, which is based on the market value, determined in accordance with a recognised calculation model (Black & Scholes). The subscription price shall be SEK 11,500.

The so called Leo-rules in Ch 16 of the Companies Act (2005:551) are applicable to the new issue of warrants, and, accordingly it is conditional upon approval of the General Meeting of Investment AB Kinnevik.

The complete proposal of the Board, in Relevant Traffic Sweden AB, regarding the new issue of warrants is available on Kinnevik's website at [www.kinnevik.se](http://www.kinnevik.se), at Kinnevik's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

## **RESOLUTIONS PROPOSED BY SHAREHOLDERS**

### **Shareholder Thorwald Arvidssons proposals (items 23(a) and (b))**

*Transcript of part of a letter sent to the Board of Directors of Investment AB Kinnevik on 6 March 2012 by shareholder Thorwald Arvidsson.*

"In my capacity as a shareholder in the company, I hereby request that the Annual General Meeting 2012 resolves that all shareholders present at the meeting as a gift shall receive the book "En finansmans bekännelser", written by Knut Ramel (Ekerlids book publishing, Stockholm 2011). The book gives the reader an amusing (and to some extent frightening) insight of both the Swedish and the international world of finance and should be a particularly appreciated gift at the general meeting."

*Transcript of part of a letter sent to the Board of Directors of Investment AB Kinnevik on 10 March 2012 by shareholder Thorwald Arvidsson.*

"In my capacity as a shareholder in the company I hereby request that the following matter shall be on the agenda of the Annual General Meeting 2012. The company is dominated by the three families Stenbeck, Klingspor and von Horn, what could be referred to as the "iron triangle". The many small and mid-size shareholders have very little, not to say non-existing, influence. One possibility that, at least to some extent, would redeem this situation is to found an association for shareholders in the

company. The founding of such shareholders' association probably requires "fire support" from the company and the Board of Directors. Accordingly, I propose that the Annual General Meeting 2012 shall resolve to instruct the Board of Directors to take appropriate actions in order to found an, to the extent possible, in relation to the company independent shareholders' association to look after the small and mid-size shareholders' interests."

## **MISCELLANEOUS**

### **Shares and votes**

There are a total number of 277,583,190 shares in the Company, whereof 48,665,324 A-shares, 228,517,952 B-shares and 399,914 C-shares, corresponding to a total of 715,571,106 votes. The Company currently holds 399,914 of its own C-shares corresponding to 399,914 votes which cannot be represented at the Annual General Meeting.

### **Special majority requirements with respect to the proposed resolutions in items 18-22**

Valid resolutions under items 18(b), 18(c), 19 and 20 above requires support of shareholders holding not less than two-thirds of both the votes cast and the shares represented at the Annual General Meeting. Valid resolutions under items 18(d), 21 and 22 above requires support of shareholders holding at least nine-tenth of both the votes cast and the shares represented at the Annual General Meeting. Items 18(a)-18(d) are conditional upon each other.

### **Authorisation**

The Board of Directors, or the person that the Board will appoint, is authorised to make the minor adjustments in the resolutions by the Annual General Meeting pursuant to items 18(b) and 20 as may be required in connection with registration at the Companies Registration Office and Euroclear Sweden AB.

### **Documentation**

The accounting documents, including the Auditor's Report, the proposed wording of the Articles of Association, the resolution of Extraordinary General Meetings', in Milvik AB and the complete proposal of the Board in Relevant Traffic Sweden AB regarding new issue of shares and warrants respectively, the reasoned statement of the Board of Directors pursuant to Ch 18 Sec 4 and Ch 19 Sec 22 of the Companies Act (2005:551), the Auditor's statement pursuant to Ch 8 Sec 54 of the Companies Act (2005:551), the Board of Directors' report of the results of the Remuneration Committee's evaluation according to the Swedish Code of Corporate Governance, the Nomination Committee's motivated statement explaining its proposals regarding the Board of Directors and information of the proposed directors of the Board will be made available at the Company's website [www.kinnevik.se](http://www.kinnevik.se), at the Company's office at Skeppsbron 18 in Stockholm and will be sent to those shareholders who so request and state their postal address or email address.

The documentation can be ordered by telephone at +46 (0) 771-246 400 or in writing at the address Investment AB Kinnevik c/o Computershare AB, P.O. Box 610, SE-182 16 Danderyd, Sweden.

### **Shareholders' right to request information**

The Board of Directors and the Chief Executive Officer shall, if any shareholder so requests and the Board of Directors believes that it can be done without material harm to the Company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the Company's or its subsidiaries' financial situation and the Company's relation to other companies within the group and the consolidated accounts.

### **Interpretation**

The Annual General Meeting will mainly be held in Swedish. As a service to the shareholders, simultaneous interpretation from Swedish to English as well as from English to Swedish will be provided.

Stockholm, April 2012  
INVESTMENT AB KINNEVIK (PUBL)  
THE BOARD OF DIRECTORS

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**Other information**

Schedule for the Meeting:

The doors open for shareholders at 9.00 a.m. CET.

The Annual General Meeting commences at 10.00 a.m. CET.

**For further information, visit [www.kinnevik.se](http://www.kinnevik.se) or contact:**

Torun Litzén, Director Investor Relations      Phone +46 (0)8 562 000 83  
Mobile +46 (0)70 762 00 83

*Kinnevik was founded in 1936 and thus embodies seventy-five years of entrepreneurship under the same group of principal owners. Kinnevik's objective is to increase shareholder value, primarily through net asset value growth. The company's holdings of growth companies are focused around seven comprehensive business sectors; Telecom & Services, Media, Paper & Packaging, Online Microfinance and Renewable energy. Kinnevik has a long history of investing in emerging markets which has resulted in a considerable exposure to consumer sectors in these markets. Kinnevik plays an active role on the Boards of its holdings.*

*Kinnevik's class A and class B shares are listed on the NASDAQ OMX Stockholm's list for large cap companies, within the financial and real estate sector. The ticker codes are KINV A and KINV B.*

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*The information is of such character, which Investment AB Kinnevik (publ) shall disclose in accordance with the Securities Market Act (2007:528) and/or the law on Trading with Financial Instruments (1991:980). The information was distributed for disclosure at 8.00 a.m. CET on 2 April 2012.*