

## **NOTICE OF ANNUAL GENERAL MEETING**

*Shareholders of Addnode AB (publ) are hereby invited to attend the Annual General Meeting on Thursday, 3 May, 2012, at 6:00 p.m., at Bonnier Conference Centre, Torsgatan 21, Stockholm. Doors will open at 5.30 p.m.*

### **REGISTRATION**

To be entitled to participate in the Annual General Meeting, shareholders must be listed in the register of shareholders maintained by Euroclear Sweden AB, no later than Thursday, 26 April 2012, and inform the Company of their intention to attend no later than Thursday, 26 April 2012, by post to Addnode AB, "Årsstämman," Hudiksvallsgatan 4, SE-113 30 Stockholm, Sweden, by telephone +46 (0)8-506 66 210, or by e-mail to [lena.ottesen@addnode.com](mailto:lena.ottesen@addnode.com).

Registration must include the shareholder's name, personal registration number/corporate registration number, address and telephone number, as well as the number of any accompanying advisors (not more than two). Proxy holders and representatives of legal entities are requested to submit authorization documentation prior to the Annual General Meeting. Proxy forms are available on Addnode's website, [www.addnode.com](http://www.addnode.com).

Shareholders whose shares are registered in the name of a nominee must request that their shares be temporarily registered in their own name with Euroclear Sweden AB, to be entitled to participate in the Annual General Meeting. This procedure, so-called voting right registration, must have been effected Thursday, 26 April 2012, which means that the shareholder must inform the nominee well in advance before this date.

### **PROPOSED AGENDA**

The Board's proposed agenda is as follows:

1. The meeting is opened.
2. Election of Chairman of the Meeting (see below).
3. Preparation and approval of voting list.
4. Approval of the Agenda.
5. Election of one or more persons to verify the minutes.
6. Determination as to whether the Meeting has been duly convened.
7. President's presentation of operations.
8. Presentation of the Annual Report and the Auditors' Report as well as the Consolidated Accounts and Consolidated Auditors' Report for 2011.
9. Decision regarding the adoption of the income statement and balance sheet as well as the consolidated income statement and balance sheet for 2011.
10. Decision regarding the disposition of the Company's profits in accordance with the adopted balance sheet and the record date if the Meeting resolves on a dividend (see below).
11. Decision regarding the discharge from personal liability for the members of the Board of Directors and for the President.
12. Report on the work of the Nomination Committee.
13. Decision regarding number of Board members and deputies if any (see below).
14. Decision regarding remuneration to the Chairman of the Board, the other Board members, and to the auditor (see below).
15. Election of Board members, Chairman of the Board and auditor (see below).
16. The Board's proposal for a decision regarding guidelines for remuneration and other employment terms for the Executive Management (see below).
17. The Board's proposal for a decision to authorize the Board to decide on acquisitions and sale of the Company's own shares (see below).
18. The Board's proposal for a decision to authorize the Board to decide on issues of new shares or issues of warrants or convertibles (see below).
19. The Board's proposal for a decision to amend the articles of association regarding the name of the company (see below).
20. Decision on Nomination Committee (see below).
21. Closing of the meeting.

## PROPOSED RESOLUTIONS

### **Item 10 - Decision regarding the disposition of the Company's profits in accordance with the adopted balance sheet and the record date if the Meeting resolves on a dividend**

The Board proposes a dividend of SEK 2.25 per share and Tuesday, 8 May 2012 as the record date for the dividend. Based on this record date, Euroclear Sweden is expected to pay out the dividend on Friday, 11 May 2012.

### **Item 2, 13-15 - Election of Chairman of the Meeting, determination of the number of Board members and deputies if any, resolution on remuneration to the Board members, the Chairman of the Board and to the auditor, election of Board members, Chairman of the Board and of auditor**

The members of the Nomination Committee have been Wilhelm Arnör (Chairman of the Nomination Committee), appointed by Vidinova AB, Jonas Gejer, appointed by Aretro Capital AB, Marianne Nilsson, appointed by Swedbank Robur fonder, Richard Hellekant, appointed by PSG Capital, and representing the institutional owners, and Per Granath, representing the minor shareholders. In addition, the Chairman of the Board, Per Hallerby, has been a member of the Nomination Committee.

The proposals by the Nomination Committee to the Annual General Meeting are as follows:

- Per Hallerby to be elected as Chairman of the Meeting.
- Six Board members and no deputies to be elected.
- Fees to the Board, for the period until the conclusion of the next Annual General Meeting, to be paid in the amounts of SEK 320,000 (previously SEK 300,000) to the Chairman and SEK 160,000 (previously SEK 150,000) to each of the other Board members elected by the Annual General Meeting, and remuneration may be paid on account for special undertakings by Board members in their respective fields of expertise (consultancy services etc.), provided that such undertakings have previously been approved by the Chairman of the Board or by two Board members. Fees for work on the Audit Committee shall be paid in the amount of SEK 40,000 (unaltered) to the Chairman and SEK 30,000 (unaltered) to each of the other committee members. Fees for work on the Remuneration Committee shall be paid in the amount of SEK 15,000 (unaltered) to each of the committee members. Board member may be given the possibility to invoice the Company for work on the Board provided that it is cost-neutral to the Company and that it is in accordance with applicable legal requirements and recommendations. The nomination committee has further proposed that fair remuneration to the auditor is to be paid with a reasonable amount by approved accounts.
- Re-election of the directors Dick Hasselström, Sigrun Hjelmquist, Jan-Erik Karlsson, Eva Listi och Thord Wilkne. Per Hallerby, Jonas Fredriksson and Lars Save have declined re-election. Kristofer Arwin is proposed for election as a new member of the Board.
- Sigrun Hjelmquist to be elected Chairman of the Board.
- Re-election of the registered public accounting firm PricewaterhouseCoopers AB for the period until the end of the next Annual General Meeting. PricewaterhouseCoopers AB will appoint Magnus Brändström to be auditor in charge.

The Nomination Committee's reasoned statement regarding the proposed board of directors can be found on the Company's website, [www.addnode.com](http://www.addnode.com).

### **Item 16 - The Board's proposal for a decision regarding guidelines for remuneration and other employment terms for the Executive Management**

The Board proposes the following guidelines for remuneration and other employment terms for the Executive Management.

Remuneration to the managing director of the parent company and the other members of the Executive Management shall consist of a fixed salary, a variable remuneration, share based incentive program and additional benefits and pension. The fixed salary shall be competitive and secure that Addnode is able to recruit competent managers. As a general rule, the fixed salary shall be re-evaluated on a yearly basis and shall take the individual's qualitative performance into consideration. A variable remuneration can be paid in addition to the fixed salary. Variable remuneration shall, except for share based incentive programs, be paid in cash and shall be based on results achieved and/or individually established and specific goals. For the managing director of the parent company, the variable cash remuneration shall be based on results achieved by the Group. The variable cash remuneration may not exceed 12 monthly salaries. For other members of the Executive Management,

the variable cash remuneration may not exceed six monthly salaries and shall be largely based on the results of the business area for which the executive is responsible. Share based incentive programs shall secure a long-term commitment to the Company's development and encourage own shareholding in the Company.

Pensions shall always be premium-based to create predictability with regard to the Company's future commitments. Pension premiums shall be paid with up to a maximum of 30 percent of the current fixed annual salary.

Other remuneration and benefits shall be on market terms and contribute to facilitating the executive's ability to carry out his/her work assignments. Other benefits mainly refer to company car.

The employment contracts of the Executive Management include terms regulating termination of employment. According to the policy, employment can be terminated at the request of one party, with a term of notice of six months. During the term of notice, the payment of salaries, remuneration and benefits shall be unchanged. For one senior executive in the Executive Management, there are prior terms for termination of employment and remuneration of 12 months.

The principles shall apply to employment contracts entered into after the Annual General Meeting and for any amendments to existing terms. The Board may deviate from these guidelines in certain individual cases for which there is justification.

#### **Item 17 - The Board's proposal for a decision to authorize the Board to decide on acquisitions and sale of the Company's own shares**

The Board proposes that the Annual General Meeting authorize the Board to make decisions, on one or several occasions prior to the next Annual General Meeting, to acquire a maximum number of series B shares so that the Company's holding following the acquisition does not exceed 10 percent of all the shares in the Company at any time. The buyback shall be conducted on the NASDAQ OMX Stockholm at a price that is within the registered range for the share price prevailing at any time (the so-called spread), that is, the range between the highest ask price and the lowest bid price and, where applicable, observing the, from time to time, applicable rules set out in the NASDAQ OMX Stockholm Rule Book for Issuers. Where buybacks are effected by a stock broker as assigned by the company, the share price may, however, correspond to the volume weighted average price during the time period within which the shares were acquired, even if the volume weighted average price on the day of delivery to the company falls outside the spread. The purpose of any buyback of own shares is primarily to transfer shares in conjunction with financing of Company acquisitions and other types of strategic investments.

Furthermore, the Board proposes that the Annual General Meeting authorize the Board to make decisions, on one or several occasions, prior to the next Annual General Meeting, to transfer series B shares in the Company to a third party. The number of shares transferred may not exceed the total number of shares held by the Company at any time. Transfer may be conducted on or outside the NASDAQ OMX Stockholm and includes the right to deviate from the preferential rights of shareholders. The transfer of shares on the NASDAQ OMX Stockholm shall be conducted at a price within the registered price interval at any time. The transfer of shares outside the NASDAQ OMX Stockholm shall be made at a price in cash or value in property received that corresponds to the share price at the point in time of the transfer of the Addnode shares that are transferred with the deviation that the Board deems appropriate. The reason for permitting the Board to deviate from the preferential rights of shareholders is to enable financing of potential company acquisitions and other types of strategic investments in a cost efficient manner. For a valid decision under this item, the Annual General Meeting's decision must be supported by shareholders representing at least two thirds of both the voting rights and the shares represented at the Annual General Meeting.

#### **Item 18 - The Board's proposal for a decision to authorize the Board to decide on issues of new shares or issues of warrants or convertibles**

The Board proposes that the Annual General Meeting authorize the Board to make decisions, on one or several occasions, prior to the next Annual General Meeting, with or without deviation from the preferential rights of shareholders, regarding new share issues or the issue of warrants or convertibles. Based on the resolution, with the support of an authorization, it shall be possible to increase the share capital by a total of not more than SEK 33,600,000 by issuing a total of not more

than 2,800,000 new shares at full subscription, full exercise of share warrants and full conversion, respectively. The authorization shall also encompass the right to decide on a new share issue or the issue of warrants or convertibles stipulating cash-in-kind payment or that shares shall be subscribed for with right of set-off or otherwise with conditions stipulated in Chapter 13, Section 7, Chapter 14, Section 9 or Chapter 15 Section 9 of the Swedish Companies Act. The reason for the deviation from the preferential rights of shareholders is to enable private placements for the implementation of acquisitions of all or parts of other companies or operations, or to acquire capital to use in such acquisitions. The basis for the issue rate shall be the share's market value. The authorization shall not be used to make decisions regarding issues directed solely or partly at one or more existing shareholders – in issues where shareholders shall be entitled to subscribe, the preferential rules of the Swedish Companies Act shall instead apply. For a valid decision under this item, the Annual General Meeting's decision must be supported by shareholders representing at least two thirds of the votes cast and the shares represented at the Annual General Meeting.

**Item 19 - The Board's proposal for a decisions to amend the articles of association regarding the name of the company**

The Board proposes that the Annual General Meeting resolves to amend section 1 in the articles of association so to state that the company name is Addnode Group AB (publ). For a valid decision under this item, the Annual General Meeting's decision must be supported by shareholders representing at least two thirds of the votes cast and the shares represented at the Annual General Meeting.

**Item 20 - Resolution on the Nomination Committee**

The current Nomination Committee proposed that the Annual General Meeting resolve to commission the Chairman of the Board to contact the three largest owner-registered shareholders in terms of voting rights in the Euroclear Sweden's printed share register as per 31 August 2012, each of which appoints one representative who is not a member of the Company's Board of Directors to serve as a member of the Nomination Committee, along with the Board Chairman, until a new Nomination Committee is appointed by mandate of the next Annual General Meeting. In addition, the Chairman of the Board shall appoint one representative of the smaller shareholders and one representative of the institutional owners to be a member of the Nomination Committee. The Chairman of the Nomination Committee shall represent the largest shareholder in terms of voting rights. The composition of the Nomination Committee shall be announced not later than six months before the 2013 Annual General Meeting. No fees are paid to members of the Nomination Committee. If a member steps down from the Nomination Committee before completing his or her assignment, and if the Nomination Committee believes there is a need to replace this member, the replacement will be appointed by the same shareholder that appointed the departing member. In the event that a significant change occurs in the ownership structure after the Nomination Committee has been appointed, the composition of the Nomination Committee shall also be changed accordingly, if the Nomination Committee believes this is necessary. Changes in the composition of the Nomination Committee shall be immediately announced. The task of the Nomination Committee is, prior to the Annual General Meeting, to present proposals regarding the number of Board members to be elected by the Annual General Meeting, Board fees, auditors' fees, any remuneration for committee work, composition of the Board, Chairman of the Board, Nomination Committee, Chairman of the Annual General Meeting and election of auditors.

**OTHER INFORMATION**

The number of shares in Addnode as of the day of announcement of this notice amounts to 28,819,632, of which 1,053,247 are Series A shares, 27,092,161 are series B shares and 674,224 are Series C shares, corresponding to a total of 38,298,855 votes. Series A shares carry ten votes and series B shares and C shares carry one vote each. As of the day of announcement of this notice, Addnode holds 674,224 own shares of series C, carrying one vote each. These shares cannot be represented at the Annual General Meeting.

In accordance with the Swedish Companies Act Chapter 7, Section 32, the shareholders have the right to ask questions at the Annual General Meeting in relation to the items on the agenda and about the financial situation of the Company and the Group. Shareholders who wish to submit questions in advance of the Annual General Meeting, shall send these to Addnode AB, "Annual General Meeting", Hudiksvallsgatan 4, SE-113 30 Stockholm, per telephone +46-8-506 66 210 or by e-mail [lenna.ottesen@addnode.com](mailto:lenna.ottesen@addnode.com).

**AVAILABLE DOCUMENTS**

The Company's Annual Report and auditors' report relating to the 2011 fiscal year, the Board of Director's reasoned statement pertaining to the proposed dividend in accordance with Chapter 18, Section 4 of the Swedish Companies Act and relating to the proposed authorization pertaining to acquisition of own shares according to Chapter 19, Section 22 of the Swedish Companies Act, the auditor's report regarding whether the previous guidelines for remuneration to the Executive Management have been complied with and the Board's complete proposals for decision under items 10, 16-19 above, will be available on the Company's website, [www.addnode.com](http://www.addnode.com) and at the Company from 12 April 2012. The above documents will also be sent to shareholders who so request and provide their postal address.

Stockholm, March 2012

**Addnode AB (publ)**

*The Board of Directors*