

# Notice to attend the Annual General Meeting of AddLife AB (publ)

The shareholders of AddLife AB (publ) (the "Company"), reg. no. 556995-8126, are hereby given notice to attend the Annual General Meeting to be held at 4:00 p.m. CET, Monday, 29 May 2017, at IVA Konferenscenter, Grev Turegatan 16, Stockholm. Registration for the meeting commences at 3:30 p.m. CET.

## NOTICE OF PARTICIPATION

Shareholders who wish to participate in the proceedings of the Annual General Meeting must:

- be entered in the shareholders' register kept on behalf of the Company by Euroclear Sweden AB, as of Monday 22 May 2017; and
- notify the Company's head office at AddLife AB (publ.), Box 3145, SE-103 62 Stockholm, Sweden, or by telephone +46 (0)8 420 038 30, by e-mail to [info@add.life](mailto:info@add.life), or via the Company's website, [www.add.life/en/investors/corporate-governance/general-meeting/](http://www.add.life/en/investors/corporate-governance/general-meeting/), no later than by Monday 22 May 2017. Such notice must contain the shareholder's name, personal identification number (organisation number), address, telephone number, the number of shares as well as any attending counsel, maximum two.

Personal data obtained from the share register kept by Euroclear Sweden AB, notices and attendance at the meeting and information on representatives, proxies and assistants will be used for registration, preparation of the voting list for the meeting and, where appropriate, the minutes of the meeting.

Shareholders whose shares are registered under a trustee must temporarily register their shares in their own name in order to exercise their voting rights at the Annual General Meeting. Such changes in registration must be completed as of Monday, 22 May 2017, in order for due registration to take place.

Where participation will be by proxy by virtue of power of attorney, the shareholder shall issue a written power of attorney which shall be dated and signed and attach any documents verifying authority. Proxies for legal entities must also be accompanied by a certified copy of a registration certificate or equivalent document verifying authority. A copy of the power of attorney and any registration certificate should, well in advance before the meeting be sent to the Company at the above address. The original version of the power of attorney shall also be presented at the meeting. The Company provides a proxy form to shareholders, and this form is available at the Company's head office or on the Company's website [www.add.life/en/investors/corporate-governance/general-meeting/](http://www.add.life/en/investors/corporate-governance/general-meeting/) latest on 8 May 2017.

## PROPOSED AGENDA

1. Opening of the Meeting.
2. Election of chairman at the meeting.
3. Preparation and approval of voting list.
4. Approval of the board of directors' proposed agenda.
5. Election of one or two persons to approve the minutes.
6. Determination of whether the meeting has been duly convened.
7. Presentation of the annual accounts and the audit report and the consolidated financial statements and the consolidated audit report.
8. Address by the President and Chief Executive Officer.
9. Resolutions
  - a) regarding adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet,
  - b) regarding allocation of the Company's earnings in accordance with the duly adopted balance sheet, and
  - c) regarding discharge from liability for the members of the board of directors and the President/CEO.
10. Report on the work of the election committee.
11. Determination of the number of board members.
12. Resolution of fees for the board of directors and the auditor.
13. Election of board members and chairman of the board of directors.
14. Election of auditor.
15. Resolution regarding guidelines for remuneration of members of senior management.
16. Resolution regarding issuing of call options for repurchased shares and the transfer of repurchased shares to management personnel (the "2017 Share-Related Incentive Scheme")
17. Resolution regarding authorisation for the board of directors to decide on the purchase and transfer of own shares.
18. Closing of the Meeting.

## THE ELECTION COMMITTEES PROPOSED RESOLUTION WITH RESPECT TO ITEMS 2, 11-14 ON THE AGENDA

The annual general meeting 2016 resolved that the principles for appointment of election committee that the annual general meeting 2016 decided on shall apply until further notice. In accordance with these principles the chairman of the board of directors has contacted the Company's electorally five largest shareholders as of the 30 September 2016 and asked them to appoint members to in addition to the chairman, constitute the election committee for the Annual General Meeting of 2017.

The election committee consists of Johan Sjö (chairman of the board of directors), Anders Börjesson, Håkan Roos, Tom Hedelius, Johan Strandberg (appointed by SEB Investment Management) and Martin Wallin (appointed by Lannebo Fonder). Anders Börjesson is the chairman of the election committee. The election committee, whose members represents 51,9 percent of the votes in the Company, proposes the following resolutions:

### 2. Election of Chairman at the meeting

The chairman of the board of directors, Johan Sjö, is proposed as chairman of the meeting.

### 11. Determination of the number of Board members

The Election Committee proposes that the board of directors shall consist of six board members.

### 12. Determination of fees for the board of directors and the auditor

The fee to each board members is proposed to stay unchanged from last year. Fees to be distributed as follows: SEK 450,000 to the chairman of the board of directors and SEK 225,000 to each of the other board members appointed by the Annual General Meeting. The total fees to the board of directors

amounts to SEK 1,575,000.

No fees are payable for committee work. Based upon individual agreement with the Company, a board fee may be invoiced by a, by the director, wholly owned company or individual business activity. If this is done, the fee shall be increased by an amount corresponding to the social security charges and value-added tax.

Audit fees will be paid according to approved invoice.

### 13. Election of board members and chairman of the board of directors

Re-election of the board members Johan Sjö, Håkan Roos, Stefan Hedelius, Fredrik Börjesson, Birgit Stattin Norinder and Eva Nilsagård.

Johan Sjö is proposed to be re-elected as chairman of the board.

Descriptions of proposed board members can be found in the Company's Annual Report for 2016 and on the Company's website.

### 14. Election of Auditor

The election committee proposes election of the auditing company KPMG AB as auditor. KPMG AB has notified that if it is elected as auditor, Håkan Olsson Reising will be appointed as the auditor in charge.

## PROPOSAL BY THE BOARD OF DIRECTORS WITH RESPECT TO RESOLUTIONS UNDER ITEMS 9b, 15-17

### 9b. Resolution with respect to disposition of the Company's earnings according to the adopted balance sheet

The board of directors proposes that the profits are allocated so that MSEK 36.6 (-) are distributed to the shareholders and that the remaining part of the Company's earnings, MSEK 312.7 (274.1) are balanced on a new account.

This means that the board of directors proposes to distribute SEK 1.50 per share, irrespectively of class of shares to the shareholders, and that Wednesday 31 May 2017 shall be the record day for obtaining the dividend.

If the Annual General Meeting resolves in accordance with the proposal, the dividend is estimated to be sent out through the agency of Euroclear Sweden AB Monday 5 June 2017 to those who are registered in the share register on the record date.

### 15. Resolution with respect to guidelines for remuneration to members of senior management

The board of directors proposes that the Annual General Meeting resolves on guidelines for remuneration to members of senior management, essentially as follows:

The guidelines shall apply to remuneration to the President/CEO and the other members of AddLife's Group management (the "Group Management").

AddLife strives to offer total remuneration which is reasonable and competitive, and which thereby serves to attract and retain qualified associates. The total remuneration, which varies in relation to the individual's and the Group's performance, may consist of the components set out below.

A fixed salary shall constitute the basis for the total remuneration. The salary shall be competitive and reflect the responsibility involved in the work. The fixed salary shall be reviewed on an annual basis.

Variable remuneration is primarily based on the Group's growth in earnings, profitability and cash flow. The annual variable portion may amount to a maximum of 40 percent of the fixed salary.

The board of directors will evaluate on an annual basis whether or not a long-term incentive Scheme shall be proposed to the Annual General Meeting and, if such is the case, whether or not the proposed long-term incentive scheme shall include transfer of shares in the Company.

Retirement pension, health care benefits and medical benefits shall be designed in such a way as to reflect rules, regulations and established practice on the market. Pension plans shall be defined-contribution pension plans to the greatest extent possible.

Other benefits may be provided to individual members or the entire Group Management and will be designed relative to established practice on the market. These benefits shall not constitute a significant portion of total remuneration.

Members of Group Management are obliged to observe a 6-month period of notice in the event of termination at the initiative of the employee and shall have a right to a maximum of a 12-month period of notice in the event of termination at the initiative of the Company. In the event of termination at the initiative of the Company, members of the Group Management shall have the right to a severance payment equivalent to a maximum of 12 months' salary, in addition to salary and other employment benefits during the period of notice. No severance payment shall be payable in the event of termination at the initiative of the employee.

The board of directors shall have the right to deviate from the abovementioned guidelines in individual cases and where special reasons exist. In the event of any such deviation, information about this and the reasons for the deviation shall be reported in the proposal to resolution with respect to guidelines for remuneration to members of senior management that will be presented at the next Annual General Meeting.

The remuneration committee appointed by the board of directors prepares and compiles proposals to the board of directors for remuneration to the President/CEO. Based on proposals by the President/CEO, the remuneration committee makes decisions regarding remuneration to the other members of the Group Management. The board of directors is informed of the decisions of the remuneration committee.

The above guidelines are a full statement to the proposal for a decision at the Annual General Meeting

### 16. Resolution regarding issuing of call options for repurchased shares and the transfer of repurchased shares to management personnel (the "2017 Share-Related Incentive Scheme")

The board of directors proposes that the Annual General Meeting resolves to adopt a long-term incentive scheme, the 2017 Share-Related Incentive

Scheme (the "Scheme"). The Scheme is proposed to include approximately 27 members of management personnel within the AddLife Group in which the participants are being given the opportunity to acquire, at market price, call options of class B shares in the Company repurchased by the Company, with the participants receiving a certain subsidy on premiums paid for the options after two years.

The proposal of the board of directors also involves the Annual General Meeting approving the Company transferring – with deviation from the shareholders' preferential rights – up to 215,000 of the Company's repurchased class B shares to the option holders at the agreed exercise price in connection with any exercise of the call options (subject to any recalculations).

This proposal has been prepared by the Company's remuneration committee in consultation with the Company's board of directors. The decision to propose the Scheme to the Annual General Meeting has been taken by the board of directors. The Company's board members are not included in the Scheme.

The Scheme involves the following main terms and conditions:

- a) The number of call options to be issued shall not exceed 215,000, corresponding to approximately 0.9 percent of the total number of shares and approximately 0.6 percent of the total number of votes in the Company (by the Company held shares included). Each call option entitles the holder to acquire one (1) repurchased class B share ("Share") in the Company during the period from 16 June 2020 to 28 February 2021. Shares may not, however, be purchased during any such period when trading in the Company's shares is forbidden in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 2014 on market abuse (market abuse regulation) or any other equivalent legislation which applies at any given time.
- b) The purchase price for Shares on exercising options shall correspond to 120 percent of the volume-weighted average of the price paid for the Company's Share on the Nasdaq Stockholm during the period from 30 May 2017 to 12 June 2017.
- c) The right to acquire call options shall be granted to the Group Management and approximately 22 members of management within the AddLife Group who are directly able to have an impact on the Group's profits. The President/CEO shall be offered a maximum of 30,000 call options, and other management personnel shall be offered a maximum of 20,000 call options per individual person and other management personnel shall be offered at the lowest 4,000 call options.
- d) If persons who are entitled to an allocation refrain in full or in part from acquiring call options offered to them, such unacquired call options shall be divided on a pro rata basis between those persons who are entitled to an allocation and who have expressed their interest in acquiring additional call options in writing. Persons who are entitled to an allocation may not come to acquire more than an additional 30 percent of the original number of call options offered in this manner.
- e) The board of directors shall establish with final effect the distribution of call options according to the principles outlined in items c) and d) above, and the number of call options the employees within each category shall be offered to acquire.
- f) Notice of acquiring call options must be given no later than 15 June 2017.
- g) The premium for the call options shall correspond to the market value of the call options as per an external independent valuation, applying the Black & Scholes model. The measuring period for calculating the option premium shall be based on the volume weighed average of the price paid for the Company's Share on Nasdaq Stockholm during the period from 5 June 2017 to 12 June 2017.
- h) Issuing of call options to employees outside Sweden is dependent on tax effects, there being no legal impediment, and that the board of directors deems that such allocation can be carried out with reasonable administrative and financial resources. The board of directors shall be entitled to make such minor amendments to the Scheme as required by applicable foreign legislation and regulations.
- i) The call options are freely transferable.
- j) The number of Shares which the call options bring entitlement to acquire and the exercise price may be recalculated as a result of e.g. bonus issues, share consolidations or splits, new issues, a reduction in the share capital or similar actions. The point in time at which Shares are transferred may be brought forward as a result of any merger or similar actions.
- k) In order to encourage participation in the Scheme, a subsidy may be paid corresponding to the premium paid for each call option. This subsidy will in this case be paid during May 2019.
- l) If the holder of the call options do not wish to exercise all of the call options and give a notice to the Company of this, the Company has a right to repurchase the call options from the holder. Acquisition of call options shall be made to a price that at any time corresponds to at the maximum the market price. Repurchase of call options may not, however, be made during any such period when trading in the Company's shares is forbidden in accordance with article 19 in Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 2014 on market abuse (market abuse regulation) or any other equivalent legislation which applies at any given time.
- m) Within the constraints of the above terms, conditions and guidelines, the board of directors shall be responsible for the further formulation and administration of the Scheme.

The costs of the Scheme consist of the subsidy paid during May 2019 as detailed above and the social security charges payable on this subsidy. The total cost of the subsidy, including social security charges, has been estimated at approximately SEK 4.2 million after corporation tax (calculated based on the prevailing market conditions on 18 April 2017). Against this subsidy, the option premium corresponds to a total of approximately SEK 4.1 million (calculated based on the prevailing market conditions on 18 April 2017) which the Company will receive on transferring the call options, as a result of which the Scheme will not involve any net charge to the Company's equity.

The reason for allowing deviations from the shareholders' preferential rights and the board's reasons for carrying out this Scheme are that senior management in the AddLife Group should be able to benefit from and strive for, through their own investment, an increase in the price of the Company's shares, thus more closely aligning the interests of senior managers and shareholders in the Company. The intention of the Scheme is also to contribute towards management personnel increasing their shareholdings in the Company in the long term. The Scheme is also expected to create the right conditions for retaining and recruiting skilled personnel for the AddLife Group, to provide competitive remuneration and to align the interests of the shareholders and management. Those members of management included in the Scheme are the group who, in an otherwise heavily decentralised organisation, are able to have a positive impact on profits through cooperation between the Group's subsidiaries. On the basis of this, the board of directors believes that the introduction of the Scheme will have a positive effect on the continued development of the AddLife Group, and that the Scheme will benefit both the shareholders and the Company.

The Company has since earlier another long-term incentive scheme, 2016 Share-related Incentive Scheme.

In the 2016 scheme are 230,000 call options outstanding which entitles to acquisition of 230,000 Shares in the Company. The exercise price for these call options are fixed to SEK 148.10 per Share and the exercise period covers the period from 17 September 2018 to 28 February 2019. All 230,000 underlying Shares in the Company in outstanding call options corresponds in total to already repurchased Shares in the Company.

The resolution proposed by the board of directors in accordance with point 16 must be approved by shareholders representing not less than nine tenths of the votes cast and shares represented at the Annual General Meeting.

#### 17. Authorisation for the board of directors to decide on the purchase and transfer of own shares

The board of directors proposes that the Annual General Meeting resolves to authorize the board of directors to decide – during the period until the next following Annual General Meeting – to repurchase up to the maximum number of class B shares so that the Company's holding of own shares at any given time does not exceed 10 percent of the total number of shares in the Company. Purchases shall be made on the Nasdaq Stockholm at a price within the price range registered at any given time, which is the interval between the highest purchase price and the lowest sale price. Purchase shall be done against payment in cash and may be done at one or several occasions.

The board of directors further proposes that the Annual General Meeting authorises the board of directors – during the period until the next Annual General Meeting – to sell its own shares of class B in ways other than on the Nasdaq Stockholm. The authorisation may be exercised on one or more occasions and includes all shares held in treasury by the Company at the time of the decision of the board of directors. The authorisation includes a right to decide to deviate from shareholders' preferential rights and that payment may be effected in forms other than money.

The purpose of the authorisation is to enable the Group's capital structure to be adjusted as well as to enable companies or business operations to be acquired in future through payment with own shares. Through holding of own shares, the Company's commitment in the share-related incentive scheme that was decided on the annual general meeting 2016 and the share-related incentive scheme as proposed above according to item 16 are secured.

The resolution proposed by the board of directors in accordance with item 17 must be approved by shareholders representing not less than two thirds of the votes cast and shares represented at the Annual General Meeting.

#### SHARES AND VOTES

The Company has issued a total of 24,617,093 shares. 1,011,766 of these are class A shares and 23,605,327 are class B shares whereof the Company holds 230,000. The total number of votes, after subtraction of the shares held by the Company, are 33,492,987. This information relates to the situation at the time of issuing this notice.

#### SHAREHOLDERS REQUEST FOR INFORMATION

Pursuant to Chapter 7, section 32 and 57 of the Swedish Companies Act (Sw. aktiebolagslagen), the board of directors and the President/CEO are under a duty to, if any shareholder so requests and the board of directors deems that it can be made without material damage to the Company, provide information at the meeting, regarding circumstances which may affect the assessment of a matter on the agenda or of the Company's economic situation. Such duty to provide information also comprises the Company's relation to other group companies, the consolidated accounts and such circumstances regarding subsidiaries which are set out in the foregoing sentence.

#### DOCUMENTATION

The financial accounts, the auditor's report and the board of directors' full proposals in accordance with points 9b, 15 (including the board of directors statement according to Chapter 18 section 4 and the auditor's statement in accordance with Chapter 8, section 54 of the Swedish Companies Act and the remuneration committee's assessment of incentive schemes and application of the guidelines for remuneration to senior management approved by the AGM), 16 and 17 (including the board of directors' statement in accordance with chapter 19, section 22 of the Swedish Companies Act) on the agenda will be available at the Company from Monday 8 May 2017 onwards, and will be sent to those shareholders who request this and provide their postal address. These documents will also be available on the Company's website from the same time. The election committee's proposals and details of all proposed members of the board of directors will be available on the Company's website from the date of issue of this notice.

Stockholm, April 2017

The board of directors

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AddLife is an independent player in the Life Science sector, offering high-quality products, services and advice to the private and public sectors, above all in the Nordic region. AddLife has about 600 employees in some 35 subsidiaries that operate under their own brands. The Group has annual sales of about SEK 2.0 billion. AddLife shares are listed on Nasdaq Stockholm.

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