

## **Welcome to the Annual General Meeting of shareholders of LBI International AB (publ)**

**The shareholders of LBI International AB (publ) are hereby invited to the Annual General Meeting of shareholders to be held on Wednesday 6 May 2009 at 4 p.m. at Hotel Anglais, Humlegårdsgatan 23 in Stockholm.**

### **Notification etc.**

Shareholders who wish to attend the Meeting shall:

- have entered their names in the register of shareholders maintained by Euroclear Sweden AB (former VPC AB) no later than on Wednesday 29 April 2009; and
- notify of their intention to participate to LBI International AB no later than on Wednesday 29 April 2009 at 4 p.m. to:

E-mail: [anita.hallgren@lbi.com](mailto:anita.hallgren@lbi.com)

Mail: LBI International AB  
Attention: Anita Hallgren  
Kungsgatan 6  
111 43 Stockholm  
Sweden

Fax: +46 (0) 8-411 65 95; or

Phone: +46 (0) 8-41 00 10 39

When giving notice of participation, the shareholder should state name, personal identity number or company registration number, address, telephone number, share holding and also, when relevant, information on the shareholder's representatives (no more than two).

### **Proxies etc.**

Shareholders who are represented by a proxy must authorize the proxy by issuing a power of attorney. If such power of attorney is issued by a legal entity, an attested copy of the certificate of registration must be attached. The power of attorney and certificate of registration may not be issued more than one year before the date of the Annual General Meeting. The original power of attorney and the certificate of registration, where applicable, are to be sent to the mail address above. For shareholders who will be represented by a proxy at the Meeting, a proxy form will be made available at the Company's website on [www.lbi.com](http://www.lbi.com).

Shareholders whose shares are registered in the names of nominees must temporarily re-register the shares in their own name in order to participate in the Meeting. Shareholders wishing to re-register must inform the nominee well in advance of 29 April 2009.

**Proposed Agenda**

1. Election of the chairman of the Meeting.
2. Drawing up and approval of the voting list.
3. Presentation and approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the Meeting has been duly convened.
6. Statement by the managing director Luke Taylor.
7. Presentation of the Annual Report and Auditor's Report and of the Group Annual Report and the Group Auditor's Report.
8. Resolution on the adoption of the Profit and Loss Statement and, when relevant, the Balance Sheet and of the Group Profit and Loss Statement and the Group Balance Sheet.
9. Resolution on the proposed treatment of the Company's profits or losses as stated in the adopted Balance Sheet.
10. Resolution on the discharge of liability towards the Company of the directors of the board and the managing director.
11. Report on the work of the Nomination Committee.
12. Determination of the remuneration to the directors and the auditor.
13. Election of the Board of Directors.
14. Appointment of the Nomination Committee.
15. Resolution regarding Guidelines for determining salary and other remuneration to the managing director and other persons in the Company's management.
16. Resolution regarding grant of employee stock options in accordance with the Group global share option plan.
17. Resolution regarding issuance of warrants for subscription of new shares.
18. Other matters duly referred to the General Meeting.
19. Closing of the Meeting.

## Proposals

### *Chairman of the Meeting (item 1)*

The Nomination Committee comprising of Frank Bergman (Red Valley (Luxembourg) S.à.r.l.), Gunnar Ek, (Swedish Shareholders' Association) and Fred Mulder (LBI International AB) proposes to appoint Ola Silberman to conduct the Meeting in the capacity of chairman.

### *Distribution of profits (item 9)*

The Board of Directors proposes that no distribution of profits is to be made for the 2008 financial year.

### *Election of Board of Directors, auditors etc. (items 11-13)*

The Nomination Committee proposes, for the period until the close of the next Annual General Meeting, the re-election of Katarina G. Bonde, Lucas Mees, Michiel Mol, Fred Mulder and Robert Pickering. The Nomination Committee will present a proposal for a new director when the documentation regarding the Annual General Meeting is made available to the shareholders. The Nomination Committee proposes that Fred Mulder shall be appointed as the Chairman of the Board.

The Nomination Committee proposes that the Meeting resolves that the remuneration to the Board of Directors shall be EUR 30,000 to the Chairman of the Board and EUR 20,000 to each of the other Board members. A Board member who receives compensation from the Company due to employment shall not receive any remuneration. The auditors are proposed to be remunerated for services billed.

### *Appointment of the Nomination Committee (item 14)*

Shareholders representing 23.36 per cent of the votes of the Company propose that the following persons form part of the committee: Frank Bergman (Red Valley (Luxembourg) S.à.r.l.), Gunnar Ek (Swedish Shareholders' Association) and Fred Mulder (LBI International AB).

### *Resolution regarding Guidelines for determining salary and other remuneration to the managing director and other persons in the Company's management (item 15)*

The Board of Directors will present a proposal on guidelines for determining remuneration of senior management of the Company not later than two weeks before the General Meeting. The proposal will be available on the Company's webpage, [www.lbi.com](http://www.lbi.com) and will also be sent to each shareholder who requests a copy.

*Resolution regarding grant of employee stock options in accordance with the Group global share option plan (item 16)*

To attract and retain key employees the Board of Directors proposes that the Meeting approves the issue of up to 1,400,000 options to the Group's senior executives and key employees in accordance with the terms and conditions of the Group's global share option plan, which is based on the principles adopted by an Extraordinary General Meeting held on 11 October 2000. If options lapse due to termination of employment, the Board of Directors shall be able to grant a corresponding number of options in accordance with the guidelines below.

The exercise price of the options shall essentially correspond to the market value of the Company's stock at the time of grant of the stock options. The Board shall decide when the options may be exercised, the options shall however be exercised not earlier than six months and not later than seven years after the date of grant, provided that the employee is still working for the Group on the exercise date. The purpose of the global share option plan is to promote the recruitment and retention of skilled employees and to motivate the employees.

If all the above options are exercised, senior executives and key personnel will acquire shares in the Company leading to approximately 2.2 per cent dilution of capital. Considering previously adopted incentive programmes to the employees, the aggregate dilution effect amounts to approximately 7.4 per cent and approximately 2.9 per cent considering the stock options that are currently in the money only.

According to the Board's proposal above, employees of the Group will be granted call options entitling them to acquire shares of the Company. Such a resolution is valid only if it is supported by at least nine-tenths of both the votes cast and the shares represented at the General Meeting.

*Resolution regarding issuance of warrants for subscription of new shares (item 17)*

To ensure the option undertakings of the Company under the Group's global share option plan, the Board proposes that the Meeting resolves to issue 1,400,000 warrants for subscription of new shares. With deviation from the shareholders' preferential rights, the right to subscribe for the warrants shall be a bank or stock broker having entered into an agreement with the Company for administration of the Group's global share option plan. The warrants should be subscribed for without consideration. The purpose of deviation from the shareholders' preferential rights is to ensure performance of option commitments in accordance with the abovementioned global share option plan.

If all options are exercised for subscription of shares, the Company's share capital will increase by SEK3,500,000. If fully exercised, the warrants would dilute total capital and votes by approximately 2.2 per cent.

A valid resolution requires approval of shareholders representing at least two-thirds of the shares and number of votes represented at the General Meeting.

**Miscellaneous**

As from 21 April 2009 the complete text of the Board of Directors' proposals under items 15-17 will be available at the Company's premises at Kungsgatan 6 in Stockholm. Shareholders who wish to receive those documents may notify the Company, whereupon the documents will be sent by post to the address notified.

As of 8 April 2009 the Company had a total amount of 62,023,276 shares representing a total of 62,023,276 votes. The Company does not own any of its shares.

Stockholm in April 2009

LBI International AB (publ)  
The Board of Directors