



## **Meda AB (publ): Notification of Extraordinary General Meeting (EGM)**

Shareholders in Meda AB (publ), corporate ID 556427-2812 (hereafter the company), are hereby invited to attend an extraordinary general meeting (hereafter EGM) on Monday, 17 October 2005 at 5 pm in the company's offices at Pipers väg 2 in Solna, Sweden.

### **Notification of attendance**

Those who wish to participate in the meeting must be listed as shareholders on the VPC AB share register by Friday, 7 October 2005 and have sent notification of attendance to the company no later than 11 October 2005. Notification may be made by:

- Post – Meda AB (publ), Box 906, SE-170 09 Solna, Sweden
- Phone – +46-08-6301900
- Fax – +46-08-6301950
- E-mail – info@meda.se

The notification should include the shareholder's name, social security number or corporate ID, address, phone number, and number of shares.

To be entitled to participate in the meeting, shareholders, whose shares are registered in the names of nominees, must register their shares in their own names so they are officially registered as shareholders by 7 October 2005. This registration may be temporary.

### **Meeting business**

#### Proposed agenda

1. Opening of the meeting.
2. Election of meeting chairman.
3. Approval of the agenda.
4. Preparation and approval of the voting list.
5. Election of one or two persons to verify the minutes.
6. Confirmation of whether the meeting was duly convened.
7. Approval of the board's decision on a new share issue with preferential rights for shareholders.
8. The board's proposal to issue promissory notes with detachable warrants for new subscription of A shares (warrant programme for key persons).
9. Closing of the meeting.

#### Approval of the board's decision on a new share issue (item 7)

As part of its growth strategy, the company decided to acquire Viatrix Holding GmbH for a purchase price of EUR 580 million. To finance the acquisition, the board took a decision on issuing new shares, with preferential rights for shareholders, so that for every three old shares, shareholders are entitled to subscribe for two new shares, provided that the ownership-validity decision is approved at the EGM.

So the board proposes that the EGM approves the board's decision to increase share capital from SEK 125,375,230 by no more than SEK 83,583,486 through a new share issue of no more than 41,791,743 A shares, each at a nominal price of SEK 2.

Those who are registered as Meda shareholders on the record day are entitled to subscribe for two new shares for every three whole shares held. Subscription for the new shares shall be made during the period from 8 November 2005 through 24 November 2005. The record day for receipt of the subscription rights is 1 November 2005. The new shares will be issued at a price of SEK 60 per share.

Several major Meda shareholders committed to subscribe for their respective parts of the share issue. Together they represent 47.5% of Meda's share capital. Beyond that, other shareholders stated that they intend to subscribe for their parts of the new share issue, which constitute about 11.5% of the share capital. All of these shareholders, which represent about 59% of Meda's share capital, told the board that they intend to vote for the new share issue at the EGM. In addition, the company has new subscription guarantees. Consequently, if the new issue is not fully subscribed – with or without preferential subscription rights – then shares equal to 2.5% of the share issue will be subscribed.

The new shares entitle shareholders to dividends, to the extent that dividends are approved, from and including the 2005 financial year – on the condition that the new shares are registered and listed in the VPC AB share register before the record day for dividends.

The board's proposal to issue promissory notes with detachable warrants for new subscription of A shares (warrant programme for key persons; item 8)

The board proposes that the EGM authorises the company to take out a subordinated debenture for a nominal SEK 1.000 through issuance of a promissory note with 3,000,000 detachable warrants for new subscription of shares. Subscription for the promissory note shall occur during the period starting on 18 October 2005 and ending on 28 October 2005. The promissory note shall be issued at a nominal amount and payment shall be made in cash on 28 October at the latest. The promissory note shall be interest-free and shall be paid on 31 December 2005.

With deviation from shareholders' preferential rights, it is proposed that Scanmeda AB subscribes for the promissory note, and then Scanmeda AB shall offer key persons in the Meda Group an opportunity to buy the warrants. The purchase price per warrant shall be equal to the market value for warrants, as per the Black & Scholes model for valuation.

Each promissory note with a detachable warrant entitles the holder to subscribe for a new share in the company at a nominal price of SEK 2, which is comparable to SEK 150.

The new share issue's subscription period starts on 27 February 2006 and ends on 26 February 2008. With full subscription of shares in the preferential rights issue that was decided by the board – pending EGM approval – the dilution effect from total exercise of warrants is comparable to about 2.9% of the share capital and votes.

Deviation from shareholders' preferential rights occurs because of Meda's fast development and need to retain and motivate key persons. The board thinks that it's beneficial for the company and shareholders to give key persons opportunities – via the warrants programme – to become part owners in Meda AB.

As per the LEO law, the resolution under item 8 requires the support of shareholders with at least nine-tenths of the votes cast as well as the shares represented at the meeting.

Documents

Documents complying with Ch. 4 Sec. 4 of the Swedish Companies Act, along with the company's interim reports and financial statement for 2004, will be available at the company from 10 October 2005. The documents will be sent without charge – upon request from shareholders that disclose their postal addresses. The documents will also be available at the EGM.

---

Solna, Sweden, September 2005

Meda AB (publ)

The board

Meda AB (publ) – Notification of EGM