

## Welcome to the Annual General Meeting of Hakon Invest AB (publ)

Shareholders in Hakon Invest AB (publ) are hereby summoned to the Annual General Meeting to be held at 4.00 pm on Thursday April 26, 2007 in the Stockholm Conference Room at the Grand Hôtel in Stockholm, at S. Blasieholmshamnen 8. Light refreshments will be served from 2:30 pm in conjunction with the meeting.

### Notification

Shareholders wishing to participate in the Annual General Meeting shall

- be registered in the share register at VPC AB not later than Friday, April 20, 2007
- have notified the Company of their intention to participate not later than **12:00 noon on Friday, April 20, 2007** in writing to Hakon Invest AB, Årsstämma 2007, Box 1508, SE 171 29 Solna, or by telephone during office hours at +46 (0)8-622 51 65, or by telefax to +46 (0)8-55 33 99 33, or by Internet at [www.hakoninvest.se](http://www.hakoninvest.se)

Registration must include the shareholder's name, personal or corporate registration number, address and telephone number. Shareholders who wish to be accompanied by assistants (maximum two) shall indicate this in the notification.

Shareholders with nominee-registered shares must well in advance of April 20, 2007 request the nominee to register them in their own name in the register maintained by VPC AB to be able to vote for their shares at the Annual General Meeting. Note that this procedure also applies to shareholders who utilize bank shareholder deposit accounts.

Shareholders who are represented by proxy must provide a written power of attorney for the representative. If the power of attorney is issued by a legal entity, an attested copy of the current registration certificate for the legal entity shall be attached. The power of attorney and any registration certificate should not be dated later than one year prior to the Meeting. Copies of the power of attorney and any registration certificate should be sent in adequate time prior to the Annual General Meeting to Hakon Invest AB (publ), Årsstämma 2006, SE-171 29 Solna, Sweden, or by telefax to +46 (0) 8-55 33 99 33.

Notification received in time will be confirmed through sending an entrance card that shall be presented at the entrance to the premises for the Meeting, and any power of attorney and other authorization documentation.

### Personal information

Personal information that the Company retrieves from notifications, powers of attorney and the share register maintained by VPC AB will be used solely for the necessary registration and for preparing the voting list.

**Motions and proposed agenda**

1. Meeting is opened
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list
4. Approval of the agenda.
5. Election of secretary and two minutes-checkers to attest the minutes jointly with the Chairman
6. Determination of whether the Meeting has been duly convened
7. Presentation of the annual report and auditors' report and the consolidated financial statements and consolidated auditors' report
8. Report on the work and performance of the Board and its committees
9. Report on the operations of the Company
10. Decision on adoption of the income statement and balance sheet and the consolidated income statement and balance sheet.
11. Decision on the disposition of the profits shown in the balance sheet adopted by the Meeting and decision on the record date for the dividend.
12. Decision on the discharge of the members of the Board of Directors and of the President from liability for the fiscal year.
13. Report on the work of the Nomination Committee
14. Determination of the number of Board members
15. Determination of the fees to be paid to the Board and auditors
16. Election of the members of the Board and the Board Chairman
17. Decision regarding the Nomination Committee
18. Decision on the Board's proposal for principles for remuneration and other terms of employment for senior executives
19. Decision regarding the Board's proposal for 2007 options program and on transfer of the Company's own shares
20. Decision on the Board's proposal for acquisition of the Company's own shares
21. Other matters
22. Closing of the Meeting

**Proposals by the Board and Nomination Committee**

- P 2 The Nomination Committee proposes Lars Otterbeck as the Chairman of the Meeting.
- P 11 The Board proposes a dividend of SEK 5.50 per common share. The Board proposes May 2, 2007 as the record date for receiving the dividend. Payment of the dividend is expected to be made via VPC AB on May 7, 2007.
- P 14 The Nomination Committee proposes seven (7) Board members (unchanged)
- P 15 The Nomination Committee proposes that the total fees to Board remain unchanged and amount to a total of SEK 1,800,000 of which SEK 500,000 is to be paid to the Chairman of the Board, SEK 300,000 to the Deputy Chairman and SEK 200,000 to each of the other members elected by the Meeting.

The Nomination Committee proposes that a provision of SEK 250,000 be made for committee work and be distributed as follows: For work in the

Investment Committee, remuneration is to be paid in a total amount of SEK 125,000, of which SEK 50,000 is to be paid to the Chairman and SEK 25,000 to each of the other members. For work in the Audit Committee, remuneration is to be paid in a total amount of 75,000, of which SEK 50,000 is to be paid to the Chairman and SEK 25,000 to other members. For work in the Remuneration Committee, a total of SEK 50,000 is to be paid, or SEK 25,000 for each member.

The total amount for fees and other remuneration for Board members remains unchanged from the preceding year.

The Nomination Committee proposes that the fees to the auditors be as invoiced.

At the 2006 Annual General Meeting, the authorized auditing firm Ernst & Young AB was elected for a new mandate period extending to the 2010 Annual General Meeting. The authorized public accountant Erik Åström is the auditor-in-charge.

More detailed information concerning the authorized public accountant is available at [www.hakoninvest.se](http://www.hakoninvest.se)

- P 16 The Nomination Committee proposes as Board members for the period until the close of the next Annual General Meeting re-election of Lars Otterbeck, Cecilia Daun Wennborg, Anders Fredriksson, Thomas Strindeborn, Jan-Olle Folkesson, Olle Nyberg and Jan Olofsson (unchanged). The Nomination Committee proposes that Lars Otterbeck be re-elected as the Chairman of the Board.

The reasons underlying the Nomination Committee's proposals for the re-election of the Board members ahead of the 2007 Annual General Meeting are presented at [www.hakoninvest.se](http://www.hakoninvest.se). More detailed information about the proposed Board members is also available there.

- P 17 The Company shall have a Nomination Committee consisting of four (4) members who represent the Company's shareholders.

The largest owner, ICA-handlarnas Förbund, shall nominate two of the members and two members shall be nominated by the two largest shareholders thereafter. The two next largest shareholders based on voting rights shall be determined based on a list of registered shareholders provided by VPC as of September 14, 2007 and will be contacted soon thereafter by the Company.

In the event that any of the three largest shareholders decides to forego the right to appoint a representative to the Nomination Committee, this right transfers to the shareholder that has the largest shareholding after the affected shareholder on the aforementioned date. The names of the owner representatives and the names of the shareholders they represent shall be announced not later than six months prior to the 2008 Annual General Meeting. The mandate period of the Nomination Committee shall extend until the next Nomination Committees is appointed. Unless the members agree otherwise, the Chairman of the Nomination Committee shall be one of the members who represent the largest shareholder in terms of votes.

The Chairman has the decisive vote.

If during the mandate period of the Nomination Committee, one or more of the shareholders that appointed members of the Nomination Committee is no longer among the three largest shareholders, the members appointed by these shareholders shall resign and the, or those, shareholder(s) that are among the three largest shareholders shall be entitled to appoint members. If there is no specific reason, however, no changes shall occur in the composition of the Nomination Committee if only minor changes in ownership occurred or if changes occur later than two months prior to the 2008 Annual General Meeting. Shareholders who have appointed a member to the Nomination Committee are entitled to remove such member and appoint a new member of the Nomination Committee. Any change in composition of the Nomination Committee shall be announced on the Company's website as soon as it occurs. The Nomination Committee shall work with and present proposals regarding the following matters prior to the 2008 Annual General Meeting:

- a) Proposal for Chairman of the Meeting
- b) Proposal for the Board of Directors
- c) Proposal for Board Chairman
- d) Proposals for Board fees distributed among the Chairman and other members and remuneration for committee work.
- e) In appropriate cases, proposals for auditor or auditors and proposals of fees to be paid to the Company's auditors

The Nomination Committee shall in general fulfill the duties in accordance with the Code of Corporate Governance. On request from the Nomination Committee, the Company shall provide personnel resources, such as a secretarial function in the Nomination Committee to facilitate its work. As required, the Company shall also be responsible for reasonable costs for external consultants that the Nomination Committee deems necessary to fulfill its assignment.

- P 18 Decision on the Board's proposal for principles for remuneration and other terms of employment for senior executives.

For the President and other senior executives in the Company, the remuneration principles based on fixed salary, pension, severance pay, etc., incentive program and options as approved by the 2006 Annual General Meeting apply. The Board proposes that the same principles be approved by the 2007 Annual General Meeting for the period up until the end of the 2008 Annual General Meeting.

The principles shall be applied in agreements subsequently concluded. The primary content of the employment contracts with senior executives is reported in the 2006 annual report. Moreover, the Board proposes that certain key employees be covered by the Board's proposal for an incentive program for senior executives and that they be permitted to acquire call options in the Company.

The Company's forms of remuneration for senior executives shall be on market terms, be long-term and quantifiable, and promote Group unity. Improvements, particularly in earnings per share, shall be rewarded and there

shall be a ceiling for variable remuneration. Total remuneration shall comprise the following components: fixed salary, pension benefits, terms for notice of termination and severance pay, bonus, options and other benefits.

**Fixed salary:** The fixed salary shall be on market terms and based on competence, responsibility and performance.

**Pension:** For the President and other senior executives a defined-contribution pension plan shall be applied which entails that a maximum of 35% of pensionable salary may take the form of pension premiums, and which may be paid as long as the person is employed in the Company.

**Severance pay, etc.:** A mutual notice of termination of six months shall be applied for senior executives. Severance pay shall be paid with up to 18 months of fixed cash salary if the Company terminates employment. The severance pay shall be deductible against salary received from other employment during the notice period. In the event of the notice of termination by the executive, if the Company decides in certain cases to impose a contractual competition restriction, the Company shall pay a maximum of 60% of the fixed salary during the time the competition restriction is applicable. Severance pay and remunerations during the period for competition restriction shall not be pensionable.

**Incentive program (Bonus):** The President, other members of the management group and certain key personnel shall be included in an annual recurring, performance-based, long-term incentive program that shall reward improvements in the Company's earnings, expressed as earnings per share, and which when applied shall create or increase the employee's share exposure (shares and options). The value of the bonus is maximized per person and year to correspond to nine (9) months' salary for the President and to six (6) months' salary for the management group and to three (3) months' salary for others who are entitled. The bonus shall not be pensionable. The bonus for 2007 is triggered if the Company's earnings per share increase by 15% and for maximum payout the Company's earnings per share must increase by 22%. Fifty percent (50%) of the bonus shall be paid in cash and 50% shall be paid in the form of call options within the framework of the Company's options program (see below). In addition, certain employees in special cases may be included in an entitlement to a performance-based bonus limited to a certain portion of the fixed annual salary, corresponding to a maximum of two (2) months' salary.

**Options:** The President, other members of the management group and certain key personnel shall be included in an annual recurring options program that will provide the possibility to acquire call options in the Company at market price. The number of options per employees shall be maximized at between 20,000 to 60,000, depending on position. The President has the right to acquire 60,000 options. The options have a lifetime of three (3) years.

**Other benefits:** Other benefits shall have a limited value in relation to total remuneration and correspond to what is normal on the market.

**Incentive program for senior executives in subsidiaries:** Provided that the proposal is approved, the presidents and other members of the subsidiaries'

managements groups in special cases shall be entitled to be included in a performance-based long-term incentive program that shall reward improvements in the subsidiary's earnings or operations and in the event of implementation creates or increases the employees' share exposure (shares or options). The value of the bonus shall in accordance with more detailed decision in certain subsidiaries be maximized and reasonable taking into account the subsidiary's operations and earnings.

Preparation and decision: A Remuneration Committee with the Company's Board will prepare and present decision proposals for the Board in matters within the framework of the principles for remuneration and other terms of employment adopted by the Meeting for the President, other members of the management group, certain key employees and presidents in the subsidiaries. The Remuneration Committee shall also prepare any proposals for incentive programs for employees in the subsidiaries.

P 19 Decision regarding the Board's proposal for 2007 options program and on transfer of the Company's own shares

The Board proposes that the Meeting approve a call options program for 2007 for the Company's President and other members of the management group and certain key employees. The call option program for 2007 shall comprise a maximum of 350,000 options, each of which will carry entitlement to acquire one (1) common share in the Company. The allotment of options is conditional on continued employment as of January 1, 2008. The Remuneration Committee decides allotment after publication of the closing financial statements for 2007. It shall be possible to acquire the options at an assessed market price in accordance with the generally accepted valuation model (Black & Scholes). The options shall be fully transferable and after acquisition are not linked to employment. The options may be exercised during the period September 2010 – March 2011.

The Board proposes that in conjunction with the exercise of the options, with waiver of the preferential rights of shareholders, the Company may convey a maximum of 350,000 shares in the Company with an exercise price of 110 % of the average share price for the Company's shares during a period close to the planned allotment date following the publication of the 2007 financial statements.

The Company's undertaking in accordance with the options program is intended to be secured through the repurchase of own shares (refer to point 20).

The decision by the Meeting in accordance with this point is valid only if it is supported by shareholders with at least nine tenths of the votes cast and the shares represented at the Meeting.

P 20 Decision on the Board's proposal for acquisition of the Company's own shares

The Board proposes that it be authorized that during the period prior to the next Annual General Meeting on one or more occasions to acquire a maximum of 350,000 common shares in the Company. The acquisitions shall be made on the OMX Nordic Exchange at a price within the registered price interval at any given time that is between the highest bid price and the lowest ask price. Repurchase may not occur during a period in which an assessment of an average price of the

Company's share is being made for the purpose of establishing the terms for the proposed options program for 2007 for senior executives in the Company. The purpose of the repurchase is to cover the allotment of options in the Company's proposed options program for 2007.

The decision by the Meeting in accordance with this point is valid only if it is supported by shareholders with at least two thirds of the votes cast and the shares represented at the Meeting.

ICA-handlarnas Förbund, which owns about 67% of the number of shares with the same percentage of voting rights for all shares in the Company has announced that it will propose that the Meeting approves the Board's and Nomination Committee's proposals for decision.

#### P 21 Other matters

Shareholder Engelbrekt Lars-Åke Larsson's proposal for decision to investigate the following three points:

- a) Does ICA subsidize its own Kvantum and Maxi stores compared with private ICA-Nära stores?
- b) What was ICA's combined loss for Kvantum and Maxi stores owned and operated by ICA centrally in Sweden in 2006? What is ICA's total Group contribution to loss-making Swedish ICA stores for 2006? How many ICA stores were operated by ICA on a proprietary basis at a loss in Sweden? How many of these are Kvantum stores?
- c) How many Swedish ICA stores are currently totally privately financed and independent – free of any ICA financing assistance in accordance with the original model? How many stores are operated under a so-called ICA agreement and, consequently, have ICA's Article of Association that provides ICA veto rights against changes? How many stores are operated by ICA centrally with an employed store manager? How large a market share of the ICA stores' total sales does each group have? What are the comparable figures in Norway and the Baltic States?

#### **Documentation and further information**

The Board's complete proposals for decision in accordance with points 11, 18, 19 and 20 as well as the Annual Report and audit report will be available on the Company's website not later than April 10, 2007. Copies of the documentation will be sent to shareholders who so request and provide a mailing address.

Stockholm, March 2007

Hakon Invest AB (publ)

Board of Directors