

## Summon

The shareholders of **HL Display AB (publ)** are herewith summoned to the annual general meeting on **April 2, 2009 at 16.00** to be held at Factory, Augustendalstorget 6, Nacka Strand.

### **PARTICIPATION**

Shareholders that wish to participate at the annual general meeting shall: **be registered** in the shareholders' register recorded by Euroclear Sweden AB (former VPC AB) at March 27, 2009, **and** notify if they, and the number of deputies, that intend to participate at the general meeting no later than at 16.00 on March 27, 2009 to **HL Display AB (publ)**, Box 1118, SE-131 26 Nacka Strand, Sweden, fax +46 (0)8-683 73 01, e-mail [annalan@hl-display.com](mailto:annalan@hl-display.com) or on the website at [www.hl-display.com](http://www.hl-display.com).

### **Nominee registered shares**

Shareholders whose shares are nominee registered shall, before March 27, 2009, through the nominee temporarily register the shares in the shareholders own name to be entitled to participate at the general meeting.

### **SHARES AND VOTES**

HL Display AB has 30,939,088 shares, of which 3,652,096 are class A shares and 27,286,992 are class B shares, which means 6,380,795.2 votes.

### **PROPOSED AGENDA**

The following items will be dealt with at the annual general meeting:

1. Opening of the general meeting
2. Election of chairman for the general meeting.
3. Drawing up and approval of the electoral register.
4. Approval of the agenda.
5. Election of one or two persons to verify the minutes.
6. Decision of whether the general meeting has been lawfully convened.
7. Report by the chief executive officer Gérard Dubuy.
8. Presentation of the annual accounts and the audit report plus the consolidated accounts and the consolidated audit report.
9. Decision to;
  - a) adopt the income statement and the balance sheet as well as the consolidated income statement and the consolidated balance sheet.
  - b) allocate the company's profit in accordance with the adopted balance sheet.
  - c) discharge the directors of the board and the chief executive officer for their administration of the company.
10. Establishment of the number of board members.
11. Decision regarding the fee to the board of directors and the auditor.
12. Election of board members and chairman of the board.
13. Decision on the issue of warrants.
14. Decision regarding guidelines for remuneration to senior executives.
15. Decision regarding the nomination committee.
16. Meeting closes.

## **PROPOSALS FOR DECISION**

### **Chairman of the annual general meeting (Item 2)**

The nomination committee proposes that the lawyer Mr. Klaes Edhall is appointed as chairman of the annual general meeting.

### **Dividend (Item 9 b)**

The board proposes a dividend of SEK 1.38 per share. The record day is proposed to be April 7, 2009. If the annual general meeting agrees to the proposal, it is expected that the dividend will be issued by Euroclear Sweden AB on April 14, 2009.

### **The board of directors and fees to the board of directors and the auditor (Item 10-12)**

The nomination committee proposes that the board of directors shall consist of 8 members elected by the general meeting.

The nomination committee also proposes that the fee to the board shall be SEK 250 000 to the chairman of the board, and SEK 150 000 to each of the other members of the board that is not employed by the company. For the committee work it has been suggested that an extra fee of SEK 35 000 to the chairman and SEK 15 000 to committee member, excluding the chairman of the board. The auditors shall be paid against approved invoices.

The nomination committee proposes re-election of the board members as follows:

Anders Remius  
Gérard Dubuy  
Stig Karlsson  
Åke Modig  
Mats-Olof Ljungkvist  
Lars-Åke Rydh  
Anna Ragén

The nomination committee proposes that Mrs. Susanna Campbell is elected as new members of the board.

Susanna Campbell is since 2003 employed at Ratos and have the post Senior Investment Manager. She is also a board member of Haglöfs.

The nomination committee also proposes that Anders Remius will be re-appointed as chairman of the board.

### **Board of Director's complete proposal for decision on issue of warrants with accompanying right to subscription of new shares (Item 13).**

At a meeting on 11 Februari 2009, the board proposed that the annual general meeting shall decide that the HL Display AB, notwithstanding the shareholders' preferential right, shall issue a maximum of 650,000 warrants with the subsequent right to subscribe to 650,000 new series B shares according to the following conditions:

#### **Right to subscribe**

Notwithstanding the shareholders preferential right, the right to subscribe is held by the wholly-owned subsidiary HL Financial Services AB, Corp.ID.Number 556435-0832, (The subsidiary). The subsidiary will acquire the warrants at no charge with rights and

responsibilities to offer employees in the HL Display group the right to acquire the warrants as follows.

### **Guidelines for the subsidiary's further assignment**

After subscription, the subsidiary shall assign the options to employees in the HL Display group at market price.

The management, approximately 7 persons, shall be offered the option to acquire the issued warrants from the subsidiary. The Chief Executive Officer will be offered a maximum of 200,000 options and other participants a maximum of 75,000 options per person.

The option purchases shall be subsidized by the option purchasers being offered compensation that amounts to no more than 40% of the option premium after deducting standard tax wherein the compensation is divided into equal parts over 3 years and assumes that the person concerned is still active in the HL Display group and still has options acquired from HL Display or shares acquired with the support of the options.

The warrants that are not acquired by employees according to the above are retained by the Subsidiary in order to be offered according to instructions from the board of the company to future employees according to equivalent allocation principles.

### **Subscription period**

Subscription shall take place no later than 1 May 2009.

### **Right to subscribe to new shares**

The holder of a warrant has the right during the period from 1 February 2012 up to and including 31 Mars 2012 to subscribe to one (1) new B share in the company for one (1) warrant at an issue price corresponding to 125% of the volume-weighted payment rate for the Company's B share listed on the Stockholm Stock Exchange for each trading day during the period 22-30 April 2009 but no lower than an issue price corresponding to the B share's quoted value.

A share issued after subscription gives the right to a dividend the first time on the record day for dividend that occurs nearest after the share has been listed in the share book through registration.

### **Justification for the proposal**

The boards justification for the above proposal is that a long-term ownership arrangement among employees can be expected to stimulate increased interest in activities and profit growth, enhance motivation and sense of involvement with the company.

The board therefore considers that the offer is advantageous to the company and its shareholders.

### **Complete terms and conditions**

The general terms and conditions for warrants with accompanying right to subscription of new shares in HL Display AB (publ) 2009/2012 are indicated in Attachment 1.

### **Increasing the share capital**

When using the warrants to their full extent, the share capital will increase by SEK 812,450

through the issue of a maximum of 650,000 B shares at a quoted value of SEK 1.25 but with the reservation that the increase that can result through the recalculation of the option conditions will take place as a consequence of the issues etc. This means that when the proposed options are fully used there will be a dilution effect of the new shares that will correspond to approximately 2.1 per cent of the outstanding shares by approximately 1.0 per cent of the votes in HL Display AB.

### **Authority**

The board proposes that the annual general meeting approves that whoever the board appoints is given the authority to make the minor adjustments to the above decisions that are seen to be necessary for registration with the Swedish Companies Registration Office.

### **Majority requirement**

Decisions according to this proposal require the support of the shareholders with at least 9/10 of the votes cast represented by the shares at the annual general meeting.

## **SUPPLEMENTARY INFORMATION**

### **Incentive programme**

HL Display AB already has 2 outstanding option programme with a total of 139,000 warrants corresponding 556,000 shares, which correspond to 1.8 per cent of the capital and 0.9 per cent of the votes. Together with the programme now proposed, will mean a total dilution effect of approximately 3.9 per cent of the capital and approximately 1.9 per cent of the votes.

The value-based incentive programme will comprise an integrated part of HL Display ABs remuneration policy. The board therefore intends to propose programmes similar to the one proposed on a continuous basis.

### **Evaluation**

The warrants will be acquired by the employees at market value. The evaluation of the warrants will be based on calculations according to the Black-Scholes options evaluation model and made by an independent expert.

### **Costs**

The issuing of warrants has incurred certain minor costs for drawing up and administration by HL Display AB as well as costs the subsidizing of the premium described above.

### **The preparation process**

The board's decision to propose that the annual general meeting reaches a decision on the issue of options with the subsequent issue of new shares was adopted by the board meeting of 11 February 2009. The proposal was prepared by the board with the support of external financial and legal advisers.

### **Guidelines for remuneration to senior executives (Item 14). The principle contents of the proposal are as follows**

An important part of HL Display's strategy is to attract and retain key employees. The compensation that the company offers its senior executives comprises an important part of this strategy.

The board of directors' view is that a fixed salary combined with a variable, performance-related payment is an efficient means for attracting employees and directing

performance towards objectives set by the board. By offering long-term part ownership of the company in addition, the board will promote long-term commitment which thereby facilitate retention of key employees by the company.

The three components of fixed salary, variable payment with a fixed slab and ownership shall be seen as a whole, but the three parts are set in accordance with various principles.

### **Guidelines for the nomination committee (Item 15)**

The nomination committee proposes that the chairman of the board, in consultation with the major owners of the company, is appointed to appoint a nomination committee for the annual general meeting 2010.

The nomination committee shall have at least four members of which one of the members shall be the chairman of the board. The members of the nomination committee shall be well acquainted with the company and the owners of the company. The chairman of the nomination committee shall be well acquainted with the major owners of the company. If a member of the nomination committee resigns the major owners of the company shall in consultation appoint a substitute.

The task of the nomination committee shall be to;

- evaluate the composition of the board of directors and their work,
- propose members of the board and chairman of the board to be elected at the annual general meeting,
- in co-operation with the audit committee of the company propose auditors to be elected at the annual general meeting when necessary,
- propose fees to the board of directors and auditors to the annual general meeting and
- propose chairman of the annual general meeting to the annual general meeting

The composition of the nomination committee shall be notified no later than six months before the annual general meeting 2009. Current nomination committee is nomination committee until new nomination committee is appointed. The nomination committee shall be remunerated for its expenses regarding evaluation and recruitment. The members of the nomination committee are not entitled to any remuneration from the company.

### **MISCELLANEOUS**

A proxy is available at the company at Cylindervägen 18, Nacka Strand and at the website *www.hl-display.com* and will on request be sent to shareholders who notify their postal address.

The annual accounts and audit report, and the auditors' statement concerning compliance with the guidelines for the remuneration of senior executives, the board's and the nomination committees complete proposals according to the above and the board's statement as a consequence of the proposal on appropriation of profits are available from the company at Cylindervägen 18, Nacka Strand and at the website *www.hl-display.com* as from 19 March 2009 and will on request be sent to shareholders who notify their postal address.

Stockholm, February 2009  
Board of Directors