

The Board of Directors' of Moberg Pharma AB (publ) (reg.no. 556697-7426) (the "Company") proposals of resolutions in connection to a proposed divestment of the Company's OTC-business (Item 7)

The proposals pursuant to item 7 are conditional upon the Extraordinary General Meeting resolving to approve all proposals under this item.

a) Proposal for resolution on approval of the proposed Transaction (Item 7 a)

Background and summary of the Transaction

On 12 February 2019, the Company announced that it entered into an agreement (the "**SPA**") with a holding company owned by RoundTable Healthcare Partners and Signet Healthcare Partners (the "**Purchaser**"), relating to the sale and purchase of the entire share capital in the Company's subsidiary, MPJ OTC AB, and all of the units in Moberg Pharma North America, LLC, pursuant to which the Purchaser shall acquire (the "**Acquisition**"), subject to the terms and the conditions of the SPA (see below), the Company's entire global consumer health business comprising both direct and distributor sales under the over-the-counter brands Kerasal®, Kerasal Nail®, New Skin®, Dermoplast®, Domeboro®, Emtrix® and Zanmira®, including all assets and liabilities related to such business (the "**OTC-business**") for cash consideration of USD 155 million (subject to working capital adjustments) (the "**Purchase Price**"). The Company intends to use the net proceeds from the Purchase Price to redeem its outstanding bonds and make a payment to its shareholders.

In connection with the Acquisition, the Company will, shortly before the closing of the Acquisition, enter into an asset transfer agreement with MPJ OTC AB, pursuant to which the Company will transfer certain assets and liabilities (the "**Asset Transfer**") which it holds in the OTC-business to MPJ OTC AB.

In connection with the Acquisition and the Asset Transfer, the Company will also enter into a transitional services agreement, pursuant to which the Company will provide certain services to MPJ OTC AB with respect to the OTC-business.

In addition to the Acquisition, the Purchaser and the Company have entered into: (i) an investment and subscription agreement pursuant to which the Purchaser has agreed to subscribe for, and the Company has agreed to issue and allot newly issued series B shares in the capital of the Company at a subscription price of SEK 35.16 per share, for an aggregate subscription price of USD 2.5 million; (ii) an investment and warrant instrument agreement pursuant to which the Purchaser has agreed to: (A) subscribe for, and the Company has agreed to issue and allot, 659,421 warrants, each of which entitles the holder to subscribe for one new ordinary share in the capital of the Company at a subscription price of SEK 35.16 per share, equalling a total of SEK 23,185,242 upon such warrants being fully exercised; and (B) grant a loan to the Company for an aggregate principal amount of USD 2.5 million, to be advanced to the Company in connection with closing of the Acquisition.

In connection with the Acquisition, the Purchaser has obtained the benefit of representations and warranties insurance as the Purchaser's sole recourse under the SPA in respect of the business warranties given by the Company under the SPA. In the absence of any fraud on the part of the Company, the liability of the Company in respect of such business warranties is limited to USD 1.

The transaction as described in this item 7 (the "**Transaction**") will enable the Company to further focus resources on the development and commercialization of the Company's MOB-015 pipeline program and to distribute significant value to its shareholders.

Voting Undertakings

All of the members of the Board of Directors holding shares in the capital of the Company and certain other shareholders who hold shares in the capital of the Company have given irrevocable undertakings to the Purchaser to vote in favour of the Transaction. The undertakings together are in respect of, in aggregate, 6,836,225 of shares representing approximately 38.6% of the share capital of the Company.

Recommendation

The Transaction is, *inter alia*, conditional upon shareholder approval at a general meeting in the Company. Against the background provided in this notice, the Board of Directors of the Company consider the terms of the Transaction to be fair and reasonable and in the best interests of the Company and its shareholders. **Accordingly, the Board of Directors unanimously recommend that the Extraordinary General Meeting approves by voting in favour of the Transaction on the main terms set out in this item 7 a), including the consequential proposals to be approved in connection with the Transaction as set out in items 7 b) to f) below.** The recommendation by the Board of Directors is supported by a diligent auction process conducted by the Company's financial advisor Sawaya Partners LLC aimed at providing the Company and the shareholders with the best possible transaction outcome in terms of value and deal certainty, where multiple third party transaction proposals and offers were evaluated, and where this Transaction was compared with similar transactions, of which this Transaction was determined by the Board of Directors to offer the shareholders the best value and highest level of deal certainty. The Board of Directors, accordingly, based on this process, found the current Transaction to be fair and reasonable and in the best interests of the Company and its shareholders.

Information in connection to the Board of Director's proposal

At least one week prior to the Extraordinary General Meeting, the Board of Directors will publish an information document containing detailed information on the Transaction and on the Company's business going forward.

Transaction rationale

The rationale for the Transaction is mainly to:

- to realize the value the Company has created in developing its OTC-business over the last five years;
- provide continued funding to support on-going development of MOB-015; and
- allow for the Company and management to be focused on value creating development and commercialization of MOB-015.

Conditions for closing of the Transaction

The Transaction is conditional on, *inter alia*:

- the passing at a general meeting in Moberg Pharma of a resolution to approve the contemplated Transaction and any other steps related thereto, passed with the relevant required majority;

- the waiting period (and any extension thereof) applicable to the SPA and the Transaction under the HSR Act (*Hart-Scott-Rodino Antitrust Improvements Act*) shall have been terminated or shall have expired;
- certain fundamental warranties under the SPA being true, accurate and not misleading on closing of the Transaction; and
- the Purchaser having received debt financing on certain specified terms.

Termination Fee

If all other conditions are satisfied, but the Purchaser fails to secure debt financing to fund the Transaction and the Company is otherwise able to close on the Transaction, the Purchaser will be liable to pay the Company a termination fee of USD 6 million.

Reimbursement of expenses

If the Board of Directors of the Company change its recommendation to the shareholders set out in this notice or the shareholders vote against the proposals put forward by the Board of Directors in connection with the Transaction, the Purchaser will be entitled to terminate the SPA and the Company will be obliged to reimburse the Purchaser of any direct external expenses incurred in connection with the Transaction.

Purchase price

The purchase price for the OTC-business consists of a cash consideration of USD 155 million (subject to working capital adjustment). The purchase price will be paid by the Purchaser on closing.

The Company intends to use the remaining part of the Purchase Price net of the Company's transaction expenses and cash retained for the MOB-015 development program to redeem the Company's outstanding bonds with a total nominal amount of SEK 600 million at a call premium of 104 % and to make a payment to its shareholders (the "**OTC-dividend**"). It is the Company's current estimate that the OTC-dividend is expected to amount to approximately SEK 43–45 per ordinary share in the Company. The definitive OTC-dividend will be announced by the Company through a press release well in advance of the payment to the shareholders of the Company.

Investment and subscription undertakings

The Purchaser has undertaken to invest in the Company's remaining business on the closing date or as soon as possible thereafter, through:

- (i) subscribing for in an aggregate subscription amount of USD 2.5 million newly issued series B shares at a subscription price of SEK 35.16 per share;
- (ii) subscribing for 659,421 warrants without consideration, each of which will give the holder a right to subscribe for one newly issued ordinary share at a subscription price of SEK 35.16 per share; and
- (iii) providing a loan with a total nominal amount of maximum USD 2.5 million (the "**Loan**").

Closing

Subject to satisfaction or waiver (as applicable) of the conditions (noted above), closing of the Transaction is planned to take place on 29 March 2019. The SPA may be terminated by either party if closing has not occurred by 10 April 2019.

Miscellaneous

The Company contemplates to pay the OTC-dividend to its shareholders through a share split and redemption of shares, although the payout procedure is still subject to final decision. The new shares to be subscribed for by the Purchaser on closing, or later through exercising the warrants, will not entitle the holder to the OTC-dividend. In order to pay the OTC-dividend during 2019, it is proposed that the Company's financial year is converted from calendar year to broken financial year, whereby the last day of the current financial year will be 30 June 2019 (see item 7 b) below).

At the Annual General Meeting for the current financial year, 1 January–30 June 2019, the Board of Directors will propose that the Annual General Meeting resolves to make a share split and a redemption of shares and to convert the Company's financial year from a broken financial year, back to a calendar year.

Below is an indicative high-level timetable for the Transaction and payment of the OTC-dividend to the shareholders of the Company.

<i>Date:</i>	<i>Event:</i>
12 February 2019	Announcement of Transaction
15 February 2019	Announcement of notice of Extraordinary General Meeting in the Swedish Official Gazette
15 March 2019	Extraordinary General Meeting
End of March 2019	Closing, including that the Purchaser (i) pays the Purchase Price, (ii) extends the Loan and (iii) subscribes for the new series B shares and the warrants
	Notice of redemption of the Company's bonds
End of April 2019	Redemption of the Company's bonds
30 June 2019	Last day of shortened financial year
End of September 2019	Annual general meeting for shortened financial year resolving on among other things payment of the OTC-dividend to shareholders
End of October 2019	Payment of OTC-dividend to shareholders

b) Proposal for resolution on conversion of the Company's financial year and thereto related amendments of the articles of association (Item 7 b)

The Board of Directors proposes that the Extraordinary General Meeting resolves to convert the Company's financial year from calendar year to broken financial year, 1 July–30 June. In connection therewith, the Board of Directors proposes that the current financial year is shortened to only cover a period of six months. If the Extraordinary General Meeting resolves in accordance with the Board of Director's proposal, the last day of the current financial year will be 30 June 2019.

In view of the above, the Board of Directors also proposes that the Extraordinary General Meeting resolves to amend the current § 11 of the articles of association, whereby this will receive the following wording:

“§13. Financial year

The financial year of the company shall be 1/7–30/6.”

The articles of association with the proposed new wording are attached in their entirety as Appendix 1 to the Board of Director’s full proposal.

c) Proposal for resolution to instate a new share class, redeemable and convertible series B shares, and thereto related amendments of the articles of association (Item 7 c)

The Board of Directors proposes that the Extraordinary General Meeting resolves to introduce a new share class; series B shares. The series B shares shall, under certain conditions as stated in the articles of association, be redeemable at the quota value and convertible into ordinary shares, but shall otherwise have the same rights as the Company’s ordinary shares.

In view of the above, the Board of Directors also proposes that the Extraordinary General Meeting resolves to amend the current § 5 of the articles of association and to introduce two new provisions, § 6 and § 7, in the articles of association as follows:

“§ 5. Number of shares

The number of shares shall amount to no less than 17,000,000 and no more than 68,000,000.

Shares may be issued in three series, common shares, shares of series B and shares of series C. Common shares and series B shares may be issued in a maximum number corresponding to not more than 100 % of the total number of shares in the company and series C shares may be issued in a maximum number corresponding to no more than 2 % of the total number of shares in the company.

Each common share and series B share entitles the holder to one vote and each series C share entitles the holder to one-tenth of a vote.

Series C shares do not entitle to dividends. Series B shares do not entitle to the OTC-dividend (as defined below). Upon the company’s liquidation, series C shares carry an equal right to the company’s assets as common shares, however not to an amount exceeding the share’s quotient value.

If the Company decides to issue new common shares, series B shares and series C shares through a cash issue or an issue against payment through set-off claims, each owner of common shares, series B shares and series C shares shall have a pre-emptive right to subscribe for new shares of the same series in proportion to their existing shareholdings (primary pre-emptive rights). Shares not subscribed through primary pre-emptive rights shall be offered to all shareholders for subscription (subsidiary pre-emptive rights). Should the number of shares offered not be enough for subscription through subsidiary pre-emptive rights, the said shares shall be apportioned among the subscribers in proportion to their existing shareholdings and, to the extent that this cannot be done, by lottery.

If the Company decides through a cash issue or a set-off issue to only offer common shares, series B shares or series C shares, shall all shareholders, regardless of whether their shares are common shares, series B shares or series C shares, have right to subscribe for new shares in proportion to their existing shareholdings.

The above shall not constitute any restriction on the possibility to decide on a cash issue or a set-off issue, deviating from the pre-emptive rights of the shareholders.

What is stated above about the shareholders' pre-emptive rights shall apply mutatis mutandis for new issues of warrants and convertibles not made against contribution in kind.

If the share capital is increased through a bonus issue, new shares in each series shall be issued in proportion to the existing number of shares in each series. Old shares in a specific series shall thus carry entitlement to new shares in the same series. The aforesaid shall not constitute any restriction on the possibility to issue new shares of a new series through a bonus issue, following the requisite amendments to the Articles of Association.

§ 6 Redemption provision

*In case of a share split, whereby each share in the company is split into two (2:1) in order to carry out the OTC-dividend (as defined below), the Board of Directors may resolve on a reduction of the share capital by redemption of half of all series B shares existing after the split, in which case in relation to the shareholders, redemption shall be made in proportion to the number of series B shares held (each redeemed share, a "**redemption share**"). In case of a resolution on redemption, holders of series B shares shall be obliged to have all their redemption shares redeemed against an amount corresponding to the quota value. Payment of the redemption amount shall be made as soon as possible.*

*The "**OTC-dividend**" means the dividend that exceeds the previous year's dividend with more than 30 per cent. to be made by the company, corresponding to part of the cash consideration to be paid by the purchaser to the company in connection with the divestment announced by the company on 12 February 2019, and which may include a formal dividend distribution, share split and redemption of split shares, reduction of the share capital or similar events.*

The Board of Directors may resolve on reduction of the share capital by redemption of all series C shares. In case of a resolution on redemption, holders of series C shares shall be obliged to redeem all series C shares against a redemption amount corresponding to the share's quotient value. Payment of the redemption amount shall be made as soon as possible.

§ 7 Conversion provision

After share split and redemption of redemption shares referred to in § 6, first paragraph, or after the payment of the OTC-dividend or no later than 30 June 2020, series B shares shall automatically be converted (reclassified) into common shares. The Board of Directors shall without delay report the reclassification to the Swedish Companies Registration Office for registration. The reclassification will enter into effect as soon as the registration is completed and it has been noted in the securities depository register.

Series C shares held by the company itself may, upon request by the Board of Directors, be converted (reclassified) into common shares. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered in the Swedish Register of Companies and the reclassification been noted in the Swedish Central Securities Depository Register."

The articles of association with the proposed new wording are attached in their entirety as Appendix 1 to the Board of Director's full proposal.

d) Proposal for resolution regarding authorization for the Board of Directors to issue redeemable and convertible series B shares, with deviation from the shareholders' pre-emptive rights (Item 7 d)

In order to secure delivery of newly issued series B shares to the Purchaser in accordance with the executed transaction agreements, the Board of Directors proposes that the Extraordinary General Meeting resolves to authorize the Board of Directors to, on one or several occasions during the period until the next Annual General Meeting, resolve to issue new redeemable and convertible series B shares, with deviation from the shareholders' pre-emptive rights.

The issue shall be effected on the following terms.

- The subscription price to be paid for each new share shall be SEK 35.16. The subscription price is deemed to correspond to the market value of the share. The total subscription price shall be the amount in SEK corresponding to USD 2.5 million, by applying the exchange rate reported by Bloomberg one business day prior to issuance of the new shares (the "Total Subscription Price").
- The number of series B shares that may be issued may amount to no more than the number obtained through dividing the Total Subscription Price by a subscription price per share of SEK 35.16.
- An increase of the Company's share capital with no more than an amount corresponding to the maximum number of new series B shares calculated in accordance with the above, multiplied by the quota value of the shares.
- The new shares shall - with deviation from the shareholders' pre-emptive rights - be subscribed for only by an external party who has been informed in advance. The reason for deviating from the shareholders' pre-emptive rights is to promote the Company's long-term interests by offering the Purchaser the opportunity to become a shareholder in the Company and thereby secure financing of the Company's continuing operations.
- The new shares shall be subscribed for at the latest on 10 April 2019, with a right for the Board of Directors to extend the subscription period. Oversubscription is not permitted.
- Payment for shares subscribed for shall be effected at subscription of the shares.
- The new shares shall be entitled to dividends for the first time on the record date occurring after the registration of the new shares with the Swedish Companies Registration Office and entry into the shareholder register kept by Euroclear.¹
- The new series B shares will be subject to restrictions as set forth in Chapter 4, Section 6 (conversion provision) and Chapter 20, Section 31 (redemption provision) of the Swedish Companies Act (SFS 2005:551).

The Board of Directors, Chief Executive Officer or such person as the Board of Directors authorize, shall be authorized to carry out amendments and clarifications of the Extraordinary General

¹ The new shares will, however, not entitle to the OTC-dividend.

Meeting's decisions that are required in connection with the filing with the Companies Registration Office and Euroclear.

e) Proposal for resolution regarding authorization for the Board of Directors to issue warrants, with deviation from the shareholders' pre-emptive rights (Item 7 e)

In order to secure delivery of warrants to the Purchaser in accordance with the executed transaction agreements, the Board of Directors proposes that the Extraordinary General Meeting resolves to authorize the Board of Directors to, on one or several occasions during the period until the next Annual General Meeting, resolve to issue warrants, with deviation from the shareholders' pre-emptive rights.

The issue shall be effected on the following terms.

- The number of warrants that may be issued may amount to no more than 659,421 warrants.
- The warrants shall not be issued against payment.
- Each warrant shall entitle to subscription for one ordinary share in the Company, against a price of SEK 35.16 per share. Payment for the shares shall be made in cash or by way of set-off.
- The warrants shall - with deviation from the shareholders' pre-emptive rights - be subscribed for only by an external party who has been informed in advance. The reason for deviating from the shareholders' pre-emptive rights is to promote the Company's long-term interests by offering the Purchaser the opportunity to become a shareholder in the Company and thereby secure financing of the Company's continuing operations.
- In case all of the warrants are exercised, the Company's share capital will increase by SEK 65,942.10.
- The warrants shall be subscribed for at the latest on 10 April 2019, with a right for the Board of Directors to extend the subscription period. Oversubscription is not permitted.
- Subscription for shares by exercising the warrants may be made during the period from and including the date when the warrants have been registered with the Companies Registration Office, the Purchaser has advanced the Loan to the Company and the OTC-dividend has been paid up to and including 31 March 2023.
- The new shares subscribed for by exercising the warrants shall be entitled to dividends for the first time on the record date occurring after the registration of the new shares with the Swedish Companies Registration Office and entry into the shareholder register kept by Euroclear.
- Customary recalculation provisions shall apply to the warrants.

The Board of Directors, Chief Executive Officer or such person as the Board of Directors authorize, shall be authorized to carry out amendments and clarifications of the Extraordinary General Meeting's decisions that are required in connection with the filing with the Companies Registration Office and Euroclear.

f) Proposal for the appointment of Andrew B. Hochman, the Purchaser's nominee to the Board of Directors of the Company, conditional upon, and with effect from, closing of the Transaction (Item 7 f)

The Board of Directors proposes that the Board of Directors shall have six (6) members.

The Board of Directors proposes that the Purchaser's nominee, Andrew B. Hochman, is appointed as new member of the Board of Directors for a period from and including the day when closing of the Transaction has occurred, until the end of the next Annual General Meeting.

Born 31 March 1979, Andrew B. Hochman has more than 16 years of experience in pharmaceutical and consumer healthcare investments and is currently a partner at RoundTable Healthcare Partners, where he is involved in all aspects of the transaction process, including deal sourcing, transaction structuring, valuation, due diligence, negotiations, financing, and execution. He joined RoundTable in 2007 from Graceway Pharmaceuticals, where he served as Vice President of Business Development, and prior to that was an associate at GTCR Golder Rauner and an analyst at William Blair & Company. He earned Bachelor degrees in Economics from the Wharton School and in Psychology from the University of Pennsylvania. He serves as a board member of Santa Cruz Nutritionals, Revision Skincare/Goodier Cosmetics, and Deerland Probiotics & Enzymes, and previously served as a board member of Aqua Pharmaceuticals.

Majority requirements

A valid resolution in accordance with the Board of Director's proposals under items 7 a) and 7 f) above requires a simple majority among the votes cast.

A valid resolution in accordance with the Board of Director's proposals under items 7 b), 7 c), 7 d) and 7 e) above requires that shareholders representing not less than two-thirds of the votes cast as well as of the shares represented at the meeting approve the resolution.

Shares held by the Company may not be represented in the Extraordinary General Meeting.

Stockholm in February 2019
Moberg Pharma AB (publ)
The Board of Directors



Articles of Association

Moberg Pharma AB (publ) reg. nr. 556697-7426

§1. Name of the company

The name of the Company is Moberg Pharma AB (publ).

§2. Registered Office

The Board of Directors shall have its registered office in Stockholm.

§3. Objects of the Company

The objects of the Company's business shall be to carry out development, manufacturing, direct and indirect sales, marketing and licensing of pharmaceuticals, medical technical products and skin care products and to pursue other business related thereto.

§4. Share capital

The share capital shall amount to no less than SEK 1 700 000 and no more than SEK 6 800 000.

§5. Number of shares and share classes

The number of shares shall amount to no less than 17,000,000 and no more than 68,000,000.

Shares may be issued in three series, common shares, shares of series B and shares of series C. Common shares and series B shares may be issued in a maximum number corresponding to not more than 100 % of the total number of shares in the company and series C shares may be issued in a maximum number corresponding to no more than 2 % of the total number of shares in the company.

Each common share and series B share entitles the holder to one vote and each series C share entitles the holder to one-tenth of a vote.

Series C shares do not entitle to dividends. Series B shares do not entitle to the OTC-dividend (as defined below). Upon the company's liquidation, series C shares carry an equal right to the company's assets as common shares, however not to an amount exceeding the share's quotient value.

If the Company decides to issue new common shares, series B shares and series C shares through a cash issue or an issue against payment through set-off claims, each owner of common shares, series B shares and series C shares shall have a pre-emptive right to subscribe for new shares of the same series in proportion to their existing shareholdings (primary pre-emptive rights). Shares not subscribed through primary pre-emptive rights shall be offered to all shareholders for subscription (subsidiary pre-emptive rights). Should the number of shares offered not be enough for subscription through subsidiary pre-emptive rights, the said shares shall be apportioned among the subscribers in proportion to their existing shareholdings and, to the extent that this cannot be done, by lottery.

If the Company decides through a cash issue or a set-off issue to only offer common shares, series B shares or series C shares, shall all shareholders, regardless of whether their shares are common shares, series B shares or series C shares, have right to subscribe for new shares in proportion to their existing shareholdings.

The above shall not constitute any restriction on the possibility to decide on a cash issue or a set-off issue, deviating from the pre-emptive rights of the shareholders.



What is stated above about the shareholders' pre-emptive rights shall apply mutatis mutandis for new issues of warrants and convertibles not made against contribution in kind.

If the share capital is increased through a bonus issue, new shares in each series shall be issued in proportion to the existing number of shares in each series. Old shares in a specific series shall thus carry entitlement to new shares in the same series. The aforesaid shall not constitute any restriction on the possibility to issue new shares of a new series through a bonus issue, following the requisite amendments to the Articles of Association.

§6. Redemption provision

In case of a share split, whereby each share in the company is split into two (2:1) in order to carry out the OTC-dividend (as defined below), the Board of Directors may resolve on a reduction of the share capital by redemption of half of all series B shares existing after the split, in which case in relation to the shareholders, redemption shall be made in proportion to the number of series B shares held (each redeemed share, a "**redemption share**"). In case of a resolution on redemption, holders of series B shares shall be obliged to have all their redemption shares redeemed against an amount corresponding to the quota value. Payment of the redemption amount shall be made as soon as possible.

The "**OTC-dividend**" means the dividend that exceeds the previous year's dividend with more than 30 per cent. to be made by the company, corresponding to part of the cash consideration to be paid by the purchaser to the company in connection with the divestment announced by the company on 11 February 2019, and which may include a formal dividend distribution, share split and redemption of split shares, reduction of the share capital or similar events.

The Board of Directors may resolve on reduction of the share capital by redemption of all series C shares. In case of a resolution on redemption, holders of series C shares shall be obliged to redeem all series C shares against a redemption amount corresponding to the share's quotient value. Payment of the redemption amount shall be made as soon as possible.

§7. Conversion provision

After share split and redemption of redemption shares referred to in § 6, first paragraph, or after the payment of the OTC-dividend or no later than 30 June 2020, series B shares shall automatically be converted (reclassified) into common shares. The Board of Directors shall without delay report the reclassification to the Swedish Companies Registration Office for registration. The reclassification will enter into effect as soon as the registration is completed and it has been noted in the securities depository register.

Series C shares held by the company itself may, upon request by the Board of Directors, be converted (reclassified) into common shares. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Registration Office (Sw. *Bolagsverket*) for registration. The reclassification is effected when it has been registered in the Swedish Register of Companies and the reclassification been noted in the Swedish Central Securities Depository Register."

§8. Board of Directors

The Board of Directors of the Company shall consist of no less than three and no more than ten members and with no more than two Deputy Directors. The members shall be elected annually on the Annual General Meeting for a period until the end of the next Annual General Meeting.



§9. Auditors

One or two authorized or approved Auditors with no more than two Deputy Auditors shall be elected for the purpose of reviewing the Company's annual report and accounts as well as the Board of Directors' and the Chief Executive Officer's management of the company. A registered public accounting firm can also be elected as Auditor. The Auditor is elected until the end of the Annual General Meeting held after the year on which the Auditor was elected.

§10. Notice

Notice convening a General Meeting shall be issued through announcement in the Swedish Official Gazette (Sw: *Post- och Inrikes Tidningar*) as well as at the Company's website. At the time of announcement of the notice, it shall also be announced in *Dagens Industri* that a notice has been made.

§11. Attendance at General Meeting

Shareholders who wants to participate at a General Meeting shall give notice to the Company at 4 PM at the latest on the day that is mentioned in the notice convening the General Meeting. This day may not be a Sunday, another public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not fall earlier than five working days (Sw. *vardag*) before the General Meeting.

A shareholder may bring one or two assistants to the general meeting, but only if the shareholder has made a notification thereof in accordance with the provisions set forth in the paragraph above.

§12. Matters at the Annual General Meeting

The following matters shall be dealt with at the Annual General Meeting:

1. Election of a Chairman at the General Meeting.
2. Preparation and approval of a voting list.
3. Election of one or two persons to verify the minutes.
4. Examination whether the Meeting has been properly convened.
5. Approval of the agenda.
6. Presentation of the Annual Report and the Auditors' report and if applicable, the Consolidated Accounts and the Auditors' report on the Group.
7. Resolutions in respect to:
 - a) adoption of the income statement and the balance sheet and, if applicable, the consolidated income statement and the consolidated balance sheet
 - b) appropriation of the company's profit or loss in accordance with the adopted balance sheet and
 - c) discharge of the members of the Board of Directors and the Chief Executive Officer from liability
8. Determining the number of Directors and Deputy Directors and, if applicable, the number of Auditors and Deputy Auditors.
9. Determining the remuneration payable to the Board of Directors and the Auditors.
10. Elections of Board of Directors and, if applicable, Deputies, Auditors and Deputy Auditors.
11. Other matters which shall be dealt with at the meeting in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) or the Articles of Association.

§13. Financial year

The financial year of the company shall be 1/7–30/6.



§14. Central securities depository register

The Company's shares shall be registered in a central securities depository register pursuant to the Financial Instruments Accounts Act (*Sw: lagen (1998:1479) om kontoföring av finansiella instrument*).

§15. Powers of attorney

The Board of Directors may collect powers of attorney at the expense of the Company in accordance with the Swedish Companies Act Chapter 7, Section 4, second paragraph (*Sw: Aktiebolagslagen (2005:551)*).