

# Qliro Group

QLIRO GROUP AB (PUBL)

DOCUMENTS FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS –  
MONDAY 23 MAY 2016

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## **1. Qliro Group AB Nomination Committee's explanatory statement regarding the proposal for election of the Board at the 2016 Annual General Meeting**

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### **Qliro Group Nomination Committee**

In accordance with the procedure of the Nomination Committee adopted at the 2015 Annual General Meeting Lars-Johan Jarnheimer, Chairman of the Board of Directors, convened a Nomination Committee in September 2015 to prepare the proposals for Qliro Group's 2016 Annual General Meeting.

The Nomination Committee initially comprised Lars-Johan Jarnheimer as the Chairman of the Board of Qliro Group, Lorenzo Grabau appointed by Investment AB Kinnevik, Annika Andersson appointed by Swedbank Robur Funds and Jan Särllvik appointed by Nordea Funds.

The members of the Nomination Committee appointed Lorenzo Grabau as Chairman of the Nomination Committee at their first meeting. This appointment deviates from the Swedish Corporate Governance Code. The other members of the Nomination Committee have explained the appointment as being a natural consequence of the company's largest shareholder appointing Lorenzo Grabau to the Nomination Committee, and consider the appointment to be in the best interest of all shareholders in Qliro Group.

Swedbank Robur Funds ceased to be a shareholder in Qliro Group on 29 February 2016, after which Annika Andersson resigned from the Nomination Committee. Given that Swedbank Robur Funds ceased to be a shareholder in Qliro Group less than three months prior to the 2016 Annual General Meeting, at the final stages of conclusion of the Nomination Committee proposals, the Committee concluded that its work could be completed without the appointment of a new member.

### **The Nomination Committee's proposal for election of the Board**

The Nomination Committee proposes the following:

- The Board shall consist of seven members.
- The re-election of Lars-Johan Jarnheimer, Patrick Andersen, Lorenzo Grabau, David Kelly, Daniel Mytnik and Peter Sjunnesson as Board members. Board members Mengmeng Du and Jens Grede have decided not to seek re-election.
- The election of Caren Genthner-Kappesz as new Board member.
- The re-election of Lars-Johan Jarnheimer as Chairman of the Board.

The Nomination Committee's proposal is thus that the following persons are elected to the Board of Qliro Group for a term of office until the end of the next Annual General Meeting:

- Lars-Johan Jarnheimer, Chairman of the Board
- Patrick Andersen
- Caren Genthner-Kappesz
- Lorenzo Grabau
- David Kelly
- Daniel Mytnik
- Peter Sjunnesson

### **The Nomination Committee's work**

The Nomination Committee has held four meetings, with additional candidate interviews and Committee discussions between meetings. The Nomination Committee's work has primarily focused on the continued development of the Board's overall composition with respect to specific sector expertise, as well as ensuring an adequate shareholder representation.

In its assessment of the degree to which the current Board meets the requirements placed on it, the Nomination Committee has reviewed the current Board members' ability to devote the necessary time and commitment required, as well as the balance and diversity of contributions of experiences from different business sectors relevant to Qliro Group. The Committee has also had the benefit of a formal evaluation of the Board and its individual members.

## **The Nomination Committee's explanatory statement regarding the proposal**

Having been informed by Mengmeng Du and Jens Grede of their decision not to seek re-election, the Nomination Committee resolved to propose the re-election of the remaining Board members and identified and managed to attract an individual who will bring a set of complementary experiences and areas of expertise to the Board –Caren Genthner-Kappesz.

Caren Genthner-Kappesz is the CEO of Glossybox since December 2015. Caren started her career as a consultant at Boston Consulting Group in 1998. After establishing and selling her own consultancy business, she moved on to eBay in 2003, where among other roles she was responsible for the German advertising business and the subsidiary shopping.com. In 2013 she started working for Naspers in South Africa, where she was initially CEO of the e-commerce market leader kalahari.com (today takealot.com) and subsequently CEO of MIH Internet Africa. Caren holds a PhD in Mathematics from the University of Würzburg.

The Nomination Committee is of the opinion that the proposed Board is well-balanced with a diverse and valuable mix of experiences from a broad range of relevant business sectors, including retail and e-commerce, digital investments and financial services. The proposed Board has valuable insights into the global internet industry and the important role of marketplaces and digital platforms in driving profitable growth, and the addition of Caren Genthner-Kappesz will further strengthen the Board's expertise in consumer-facing digital businesses. The Nomination Committee believes the proposed composition of individuals on the Board will be of great support in the positioning of Qliro Group for its execution on the company's key strategic initiatives.

In its work, the Nomination Committee gives particular consideration to the importance of an increased diversity on the Board, including gender, age and nationality, as well as depth of experiences, professional backgrounds and business disciplines. The Committee believes the composition of the proposed Board is adequately diverse in respect of its set of experiences and solid mix of relevant skill-sets matching the priorities of Qliro Group. However, the Committee will increasingly pursue greater gender diversity as part of its efforts to find the most competent Board members.

Finally, it is noted that the Nomination Committee has evaluated each Board member's independence in the work of preparing its proposals for the 2016 Annual General Meeting, and has found that the proposed Board is in compliance with the relevant requirements for independence.

### **Information about the proposed members of the Board**

Information about the proposed members of the Board, including the Nomination Committee's assessment of each member's independence, may be found on the Company's website at [www.qlirogroup.com](http://www.qlirogroup.com).

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April 2016

THE NOMINATION COMMITTEE  
QLIRO GROUP AB (PUBL)

## **2. Information on the proposed members of the Board.**

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### **Lars-Johan Jarnheimer**

Chairman of the Board  
Swedish citizen, born 1960

Lars-Johan Jarnheimer has been a member of the Board of Qliro Group since August 2010 (Chairman of the Board since May 2012). He is currently Chairman of the Board of Directors of INGKA Holding B.V. (the parent company of the IKEA group), Eniro AB and Arvid Nordquist Handelsaktiebolag and a member of the Boards of SAS AB and Egmont International Holding A/S. Lars-Johan served as President and Chief Executive Officer of Tele2 AB from 1999 to 2008, and previously held various positions at IKEA, Hennes & Mauritz and Comviq AB. Lars-Johan was a Board member of Modern Times Group MTG AB between 1997 and 2008, and of Millicom International Cellular S.A. between 2001 and 2007.

Lars-Johan graduated with a Degree in Economics and Business Administration from Växjö and Lund universities in Sweden.

*Independent of the company and executive management and independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: 100,000 shares

### **Patrick Andersen**

Board member  
Danish citizen, born 1962

Patrick Andersen has been a member of the Board of Qliro Group since May 2013. He is currently serving as President of the Americas business area (North America and Latin America) at Carlson Wagonlit Travel, where he has been since 2008, having held numerous executive positions leading up to his current role. Prior to this, Patrick was a consultant and owner of PNA Consulting and before that held several executive positions at DHL, where he worked for over 20 years.

Patrick studied management at the London Business School.

Member of the Remuneration Committee.

*Independent of the company and executive management and independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: 45,000 shares

### **Caren Genthner-Kappesz**

Proposed new board member  
German citizen, born 1970

Caren Genthner-Kappesz is the CEO of Glossybox since December 2015. Caren started her career as a consultant at Boston Consulting Group in 1998. After establishing and selling her own consultancy business, she moved on to eBay in 2003, where among other roles she was responsible for the German advertising business and the subsidiary shopping.com. In 2013 she started working for Naspers in South Africa, where she was initially CEO of the e-commerce market leader kalahari.com (today takealot.com) and subsequently CEO of MIH Internet Africa.

Caren holds a PhD in Mathematics from the University of Würzburg.

*Independent of the company and executive management and independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: –

## **Lorenzo Grabau**

Board member

Italian citizen, born 1965

Lorenzo Grabau has been a member of the Board of Qliro Group since May 2014. Lorenzo has been President and CEO of Investment AB Kinnevik since May 2014. Lorenzo was a Board member of Investment AB Kinnevik between 2013 and 2014. Lorenzo Grabau is Chairman of the Board of Global Fashion Group, Vice Chairman of Zalando SE, member of Supervisory Board of Rocket Internet AG and a member of the Boards of Millicom International Cellular S.A. and Tele2 AB. Lorenzo was a partner in and Managing Director of Goldman Sachs International in London until 2011. He started in the Investment Banking division at Goldman Sachs in 1994 and during his 17 years with the firm held a number of management positions within the Consumer/Retail and Media/Online industry practices, as well as in the Financial Sponsors business. Lorenzo began his investment banking career in 1990 when he started at Merrill Lynch, where he worked for five years in the Mergers and Acquisitions departments in London and New York.

Lorenzo holds a degree from Università degli Studi di Roma, La Sapienza in Italy.

Chairman of the Remuneration Committee and member of the Audit Committee.

*Independent of the company and executive management, not independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: -

## **David Kelly**

Board member

British and Irish citizen, born 1963

David Kelly has been a member of the Board of Qliro Group since May 2013. Previously, David served as adviser to the CDON Group Board between June 2012 and April 2013. David is currently Chairman of the Boards of LoveHomeSwap, Pure360 and MBA & Company, and is also a member of the Boards of Camelot UK Lotteries Limited, Holiday Extras, On the Beach, Simply Business and Trinity Mirror Group. David was previously a member of the executive management as well as CEO for Rackspace Cloud Hosting. He has also held several positions at eBay, Amazon.com and Lastminute.com. David is also one of the founders of Mydeco.

David holds a Ph.D. in Business Strategy and an MBA in marketing from City University Business School, as well as an BSc in computer science from Leicester University.

Member of the Audit Committee.

*Independent of the company and executive management and independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: –

## **Daniel Mytnik**

Board member

Swedish citizen, born 1971

Daniel Mytnik has been a member of the Board of Qliro Group since May 2014. Daniel has been a partner at Ventiga Capital Partners in London since 2015. Daniel was previously a partner at Palamon Capital Partners in London until 2013. During his seven years at Palamon, Daniel identified and managed a significant number of investments in rapid-growth service-oriented businesses, primarily in the Nordic countries and the United Kingdom. Before joining Palamon Capital Partners, Daniel spent four years as Managing Director at investment bank Altium Capital, prior to which he worked in Morgan Stanley's Private Equity and Investment Banking department in London for five years.

Daniel has a BA in Philosophy, Politics & Economics and an M.Phil. in Economics from Oxford University.

Member of the Remuneration Committee.

*Independent of the company and executive management, not independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: 131,513 shares

**Peter Sjunnesson**

Board member

Swedish citizen, born 1959

Peter Sjunnesson has been a member of the Board of Qliro Group since May 2015. Peter has been active as a consultant since 2002. He advises financial and service companies on growth and operational efficiency projects. Peter is a Board member of Lindorff Group, one of Europe's largest credit management companies, and was the Group's interim CEO between October 2014 and April 2015. Peter serves on the Boards of the Qliro Group's payment solutions company Qliro AB and of a number of start-up ventures, and has previously served on the Boards of Dibs Payment Services and Klarna, the latter as Chairman of the Board between 2006 and 2010. Prior to starting his consulting business in 2002, Peter was Group Chief Executive Officer of Intrum Justitia for four years up until the company's listing on the Stockholm Stock Exchange in 2002.

Peter holds a Master of Science in Economics and Business Administration from the Stockholm School of Economics.

Chairman of the Audit Committee.

*Independent of the company and executive management and independent of major shareholders.*  
Shareholding (including any related person ownership) in Qliro Group: 21,000 shares

### **3. The Board's statement pursuant to Ch 19 Sec 22 of the Swedish Companies Act**

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The Board hereby presents the following statement in accordance with Ch 19 Sec 22 of the Swedish Companies Act. The Board's statement for the authorisations to repurchase the Company's own shares being in accordance with the provisions of Ch 17 Sec 3 paragraph 2 and 3 of the Swedish Companies Act is as follows.

#### **The Company's objects, scope and risks**

The Company's objects and scope of business are set out in the Articles of Association and the submitted Annual Reports. The business run by the Company does not entail any risks in excess of those that exist or may be deemed to exist in the industry or those risks which are generally associated with operating a business.

#### **The financial position of the Parent Company and the Group**

The financial position of the Parent Company and the Group as per 31 December 2015 is stated in the Annual Report for 2015. The Annual Report also states which accounting principles are applied in the valuation of assets, allocations and liabilities.

The non-restricted equity in the Parent Company and the Group's retained profits as of 31 December 2015 amounted to SEK 885.2 million and SEK -165.5 million respectively.

As of 31 December 2015 the Group's equity/assets ratio amounted to 45.5 per cent.

The proposed authorisations to repurchase the Company's own shares do not limit the Company's possibilities to complete ongoing, and further make value-creating, investments.

The Company's financial position does not give rise to any other conclusion than that the Company can continue its business and that the Company can be expected to fulfil its obligations on both a short and long-term basis.

#### **Justification for repurchase**

With reference to the above and to what has otherwise come to the knowledge of the Board, the Board is of the opinion that from the financial position of the Parent Company and of the Group it follows that the authorisation to the Board to resolve to repurchase the Company's own shares to create flexibility in the work with the Company's capital structure and to secure the delivery of the ordinary shares under the proposed incentive programmes is justified according to the provisions of Ch 17 Sec 3 paragraph 2 and 3 of the Swedish Companies Act, i.e. with reference to the requirements that the objects of the business, its scope and risks place on the size of the Parent Company's and the Group's equity and the Parent Company's and the Group's consolidating requirements, liquidity and financing needs in general.

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Stockholm, April 2016

THE BOARD OF DIRECTORS  
QLIRO GROUP AB (PUBL)

#### **4. Auditor's report in accordance with Ch 8, Sec 54 of the Swedish Companies Act whether the guidelines for remuneration to Executive Management as approved by the Annual General Meeting has been complied with.**

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Translation from the Swedish original

### **Auditor's opinion under Chapter 8 Section 54 of the Swedish Companies Act (2005:551) as to whether the guidelines of the annual general meeting on the remuneration of senior executives have been followed**

To the annual general meeting of Qliro Group (publ.), Corporate identity No 556035-6940

#### **Introduction**

We have audited whether the Board of Directors and the Chief Executive Officer of Qliro Group (publ.) during the year 2015 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 13 May 2014 and the annual general meeting on 18 May 2015.

#### **Responsibility of the Board of Directors and the Chief Executive Officer**

The Board of Directors and the Chief Executive Officer are responsible for the guidelines being followed and for the internal control that the Board of Directors and the Chief Executive Officer deem necessary to ensure that the guidelines are followed.

#### **Responsibility of the auditor**

Our responsibility is to issue an opinion, based on our audit, to the annual general meeting as to whether the guidelines have been followed. We have conducted the audit in accordance with FAR recommendation RevR 8 *Audit of remuneration of senior executives of listed companies*. This recommendation requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the guidelines adopted by the annual general meeting are followed in all material aspects. The audit firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The audit has covered the company's organization for and documentation of remuneration issues for senior executives, the new decisions on remuneration that have been taken and a selection of the payments made during the financial year to the senior executives. The auditor chooses what procedures are to be performed, in part by assessing the risk of the guidelines not being followed in all material aspects. In making those risk assessments, the auditor considers internal control relevant to compliance with the guidelines in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our audit provides a reasonable basis for our opinion set out below.

#### **Opinion**

We consider that the Board of Directors and Chief Executive Officer of Qliro Group (publ.) during 2015 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 13 May 2014 and the annual general meeting on 18 May 2015.

Stockholm 15 April 2016

KPMG AB

Cronie Wallquist  
Authorized Public Accountant

## **5. Evaluation of Qliro Group's remuneration to the CEO and other Members of the Management Group (Report according to the Swedish Corporate Governance Code, 9.1 and 10.3).**

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### **Introduction**

The Remuneration Committee of the Board of Qliro Group AB (publ) comprises the members of the Board Patrick Andersen, Lorenzo Grabau and Daniel Mytnik. Lorenzo Grabau is Chairman of the Remuneration Committee.

In accordance with the Swedish Code of Corporate Governance 9.1 and 10.3, the Remuneration Committee has monitored and evaluated programmes for variable remuneration (both ongoing and those that have ended during the year), the application of the guidelines for remuneration to the CEO and other persons in the Company's management (the senior executives) adopted by the Annual General Meeting as well as the current remuneration structure and levels of remuneration in Qliro Group. The following is the Board's report of the results of the evaluation.

### **General information with respect to the remuneration to senior executives in Qliro Group**

The remuneration to the senior executives has during 2015 consisted of a fixed salary, variable remuneration paid in cash, as well as the possibility to participate in long-term equity based incentive programs, customary benefits and pension schemes. These components shall create a well-balanced remuneration reflecting individual performance and responsibility, both short-term and long-term, as well as Qliro Group's overall performance.

The maximum potential outcome for short-term variable remuneration to senior executives paid in cash during 2015 was 100 per cent of the annual fixed salary and such remuneration was based on a combination of outcome in relation to established targets and individual performance. Information regarding the variable remuneration paid in cash can be found in the Annual Report 2015.

For the senior executives and other key employees in Qliro Group there are long-term share related incentive programs. Information on the long-term incentive programs such as outcome, participation ratio, number of issued and outstanding shares, share awards, employee stock options etc. can be found in the Annual Report 2015.

### **Evaluation of programs for variable remuneration**

The Remuneration Committee follows and evaluates both the short-term and long-term variable remuneration as well as the expected outcome of such remuneration and has during its work reported to the Board and the remuneration has also been discussed at Board meetings. Also, the Remuneration Committee monitors to which extent the senior executives and other key employees participate in the ongoing long-term share related programs and how the aforesaid programs align the participants' potential rewards with the interests of the shareholders.

Prior to the 2015 Annual General Meeting the Remuneration Committee initiated a more thorough evaluation of the structures of the long-term share-related rewards to the employees. The evaluation was made from a number of perspectives but primarily with the focus that employees in Qliro Group's subsidiaries/business units should be offered a share-linked reward based on the value growth in relevant subsidiary/business unit. As a result the 2015 Annual General Meeting adopted a new long-term share-related incentive plan (the "LTIP 2015") that comprised a long-term performance share plan (the "PSP") with a similar structure as previous long-term incentive plans (2011-2014) and a synthetic call option plan based on the underlying value growth in Qliro Group's subsidiaries/business units (the "SCOP"). The SCOP included payment of cash subsidies to the participants.

The Remuneration Committee monitors and analyses the effectiveness of all these plans. In this regard, the Committee recommended and the Board decided not to launch the SCOP due to e.g recent tax rulings. As a result, the Board has proposed that the 2016 Annual General Meeting resolves on an alternative share based incentive for the employees that were entitled to participate in the 2015 SCOP (not inclusive of employees in Qliro Financial Services) and still are employed within the Qliro Group, by offering such employees to allocate an additional 2.5 per cent of their annual base salary to the

2016 PSP. This compensation has been assessed to be in line with the aim to increase the employees' shareholding in Qliro Group.

It is however, due to applicable rules governing among other things, the maximum level of variable remuneration in relation to the employee's in credit institutions fixed salary, believed that an option plan that retains the 2015 SCOP-structure, with some adjustments and modifications in order to fit a credit institution, will be an attractive share-linked investment for employees in Qliro Group's subsidiary/business unit Qliro Financial Services. Therefore, the Board will propose two long-term incentive plans for 2016, the 2016 PSP, to all key employees within the group and the 2016 QOP, an option based plan to key employees in Qliro Financial Services.

#### **Evaluation of the guidelines for remuneration to the senior executives**

The Remuneration Committee's evaluation of the application of the guidelines, and the review carried out by the auditor, has resulted in the conclusion that the guidelines for remuneration for senior executives established at the 2014 and 2015 Annual General Meetings have been applied on such remuneration in Qliro Group during 2015.

#### **Evaluation of remuneration structure and levels of remuneration in Qliro Group**

The Remuneration Committee's evaluation has resulted in that the Board has made the assessment that the remuneration structure and levels of remuneration to the senior executives including variable salary paid in cash and the PSP are appropriate considering Qliro Group's stage of development. However, the Board considers that the proposed remuneration structure including the PSP and the QOP will create a better incentive to drive value-growth for employees throughout the Group (including the regulated Qliro Financial Services business unit), and thereby a more competitive compensation to key personnel.

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Stockholm, April 2016

THE BOARD OF DIRECTORS  
QLIRO GROUP AB (PUBL)

## **6. Proposed wording of the Articles of Association**

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### **Articles of Association**

**Qliro Group AB (publ), reg. no. 556035-6940**

Adopted by the Annual General Meeting on 23 May 2016.

*N.B. This is an in-house translation of the authorised Swedish Articles of Association and for convenience only.*

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#### **§ 1**

The Company's name is Qliro Group AB (publ).

#### **§ 2**

The board of directors shall have its registered office in Stockholm.

#### **§ 3**

The primary purpose of the Company's business shall be to generate profit for its shareholders.

The object of the Company's business shall be to own and manage real property and movables, primarily through investments in businesses within the areas internet, online, e-commerce and retailing primarily with consumer brands and products as well as financing operations, with necessary licenses or authorisations from authorities where relevant. Furthermore, the object of the Company's business shall be to conduct business operations compatible with the above mentioned businesses.

The Company shall have the right to guarantee or otherwise pledge security for obligations assumed by other companies within the group.

#### **§ 4**

The Company's share capital shall be not less than SEK 200,000,000 and not more than SEK 800,000,000.

The number of shares in the Company shall be not less than 100,000,000 and not more than 400,000,000.

Shares may be issued in two classes, ordinary shares and Class C shares. Ordinary shares may be issued up to a maximum amount of 400,000,000 and Class C shares up to a maximum amount of 400,000,000.

Class C shares do not entitle to dividends. Upon the Company's liquidation, Class C shares carry an equivalent right to the Company's assets as the other classes of shares, however not to an amount exceeding up to the quota value of the share, annualised as per day of distribution with an interest rate of STIBOR 1M with an additional 1 percentage point calculated from the day of payment of the subscription price. STIBOR 1M is set on the first business day of each calendar month.

Should the Company resolve on an issue of new ordinary and Class C shares, against other payment than contribution in kind, each holder of ordinary and Class C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the Company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be distributed among the subscribers in proportion to the number of already shares held, or, to the extent that this is not possible, by lot.

Should the Company resolve on an issue of new shares solely of ordinary shares or Class C shares, against other payment than contribution in kind, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares previously held.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt, and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where new shares are issued, new shares shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

Reduction of the share capital, however not below the minimum share capital, may on request of holders of Class C shares or as resolved by the Company's Board of Directors or General Meeting, be made by redemption of Class C shares. A request from a shareholder shall be made in writing to the Company's Board of Directors and the Board of Directors shall promptly act on the matter. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the Company's equity reserves, if the required funds are available.

The redemption payment per Class C share shall correspond to the quota value of the share annualised per day with an interest rate of STIBOR 1M with additional 1 percentage point calculated from the day of payment of the subscription price. STIBOR 1M shall be initially set on the day of payment of the subscription price.

Following notice of the redemption resolution, holders having requested redemption shall promptly receive payment for the share, or, if authorisation from the Swedish Companies Registration Office or a court is required, following notice that the final decision has been registered.

Class C shares held by the Company, may upon decision by the Board of Directors be reclassified into ordinary shares, provided that the Class C shares are held by the Company. 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 and the reclassification been noted in the Swedish Central Securities Depository.

## § 5

The board shall consist of no less than three and no more than nine directors.

## § 6

The Company shall as Auditor have no less than one and no more than three registered accounting firms. The Auditors term of office shall last until the end of the first Annual General Meeting which is held after the year the Auditor was appointed.

#### **§ 7**

Notice of a general meeting of shareholders shall be published in the Official Swedish Gazette (Post-och Inrikes Tidningar) as well as on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

#### **§ 8**

To be entitled to participate in a general meeting, shareholders must be recorded in a print-out or another presentation of the complete share register relating to the circumstances as of five business days before the meeting, and give notice to the company no later than on the day stipulated in the notice of the meeting. This day may not be a Sunday, another public holiday, a Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve, and may not fall before the fifth business day prior to the meeting.

A shareholder attending a general meeting may be accompanied by an assistant, however only where the shareholder has provided notification hereof in accordance with the foregoing paragraph.

#### **§ 9**

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the Central Securities Depositories and Financial Instruments Accounts Act (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 first paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to exercise the rights set out in Chapter 4, Section 39 of the Companies Act (2005:551).

#### **§ 10**

The Company's financial year shall be the calendar year.

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