



TELE2 AB (PUBL)  
DOCUMENTS FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS –  
TUESDAY 24 MAY 2016

CONTENTS

1. Tele2 AB Nomination Committee's explanatory statement regarding the proposal for election of the Board at the 2016 Annual General Meeting.
2. Information on the proposed members of the Board.
3. The Board's reasoned statement pursuant to Ch 18 Sec 4 and Ch 19 Sec 22 of the Swedish Companies Act.
4. Auditor's report in accordance with Ch 8 Sec 54 of the Swedish Companies Act regarding whether there has been compliance with the guidelines for remuneration to Executive Management as approved by the Annual General Meeting.
5. Evaluation of Tele2's remuneration to the president and other members of the management group (Report according to the Swedish Corporate Governance Code, 9.1 and 10.3).
6. Proposed wording of the Articles of Association.

## **1. Tele2 AB Nomination Committee's explanatory statement regarding the proposal for election of the Board at the 2016 Annual General Meeting**

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### **Tele2 Nomination Committee**

In accordance with the procedure of the Nomination Committee adopted by the 2015 Annual General Meeting, Mike Parton, Chairman of the Board of Directors, convened a Nomination Committee in September 2015 to prepare the proposals for Tele2's 2016 Annual General Meeting.

The Nomination Committee is comprised of Mike Parton as Chairman of the Board of Tele2, Lorenzo Grabau appointed by Investment AB Kinnevik, Mathias Leijon appointed by Nordea Funds, Jonas Eixmann appointed by Andra AP-fonden, and Hans Ek appointed by SEB Investment Management AB.

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 considers the appointment to be in the best interest of all shareholders in Tele2.

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

The Nomination Committee proposes:

- That the Board shall consist of eight members.
- The re-election of all current members of the Board, except Erik Mitteregger who has decided not to seek re-election.
- The election of Sofia Arhall Bergendorff, Georgi Ganev and Cynthia Gordon as new Board members.
- The re-election of Mike Parton as Chairman of the Board.

The Nomination Committee's proposal is thus that the following persons are elected to the Board of Tele2 for a term of office until the end of the next Annual General Meeting:

- Mike Parton, Chairman of the Board
- Sofia Arhall Bergendorff
- Georgi Ganev
- Cynthia Gordon
- Lorenzo Grabau
- Irina Hemmers
- Eamonn O'Hare
- Carla Smits-Nusteling

### **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 overall Board composition with the aim to strengthen the mix of experiences and competencies present at Board level in order to increasingly match the challenges and opportunities faced by Tele2.

In its assessment of the degree to which the current Board meets the requirements placed on it, the Nomination Committee 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 areas and geographic regions of the broader digital communications industry. The Committee also had the benefit of a formal evaluation of the Board and its individual members.

### **The Nomination Committee's motivated statement regarding its proposals**

As a result of Mario Zanotti's decision to resign from the Tele2 Board in September 2015, and having been informed by Erik Mitteregger of his intention not to seek re-election, the Nomination Committee resolved to propose the re-election of the remaining Board members. The Nomination Committee further identified and managed to attract three individuals who will bring experiences and skill-sets that are greatly diverse and complementary both in relation to each other as well as to the proposed Board as a whole – Sofia Arhall Bergendorff, Georgi Ganev and Cynthia Gordon.

Sofia Arhall Bergendorff is Director of Global Operations, Partnerships at Google in New York since 2015. Sofia joined Google in 2011 as Sales Operations Manager, Nordics, and relocated to New York in 2013 to assume the position of Head of Americas Strategy and Operations, Partnerships. During 2009-2011, Sofia was an independent management consultant, prior to which she spent five years at Copenhagen Consulting Company (now Quartz+Co) as a Partner. Sofia holds a BA in Journalism from the University of Oregon and an MBA from INSEAD.

Georgi Ganev is Chief Executive Officer of Dustin Group since 2012. Prior to joining Dustin, Georgi spent six years with the Telenor Group, first as Chief Executive Officer of Bredbandsbolaget and later as Chief Marketing Officer of Telenor Sweden. Between 2002 and 2007, Georgi worked at Tele2, first within Product Management during 2002-2005, and later as Sales and Marketing Director of Tele2's card payments processing service company 3C International up until the company's sale to Telekurs in 2007. Georgi holds an MSc in Engineering from Uppsala University.

Cynthia Gordon is Executive Vice President and Chief Executive Officer of the Africa Division at Millicom International Cellular. Cynthia joined Millicom from the Qatar-based international telecommunications company Ooredoo in 2015. Prior to joining Ooredoo in 2012, Cynthia was Vice President, Business Marketing at Orange 2001-2006 and Chief Commercial Officer at MTS between 2007 and 2009 before returning to Orange as Vice President of Partnerships & Emerging Markets during 2009-2012. Cynthia holds a BA in Business Studies from Brighton University.

The Nomination Committee is of the opinion that the proposed new Board members Sofia Arhall Bergendorff and Georgi Ganev will bring valuable insights and experiences from both the digital consumer and business-to-business area, as well as adding a unique Swedish perspective on Tele2 and its operations. The third proposed new Board member, Cynthia Gordon, will bring extraordinary operational expertise gained over more than 20 years of leading mobile, broadband and fixed-line operations in markets across developed and developing markets. Collectively, the proposed new Board members will complement the existing Board's expertise across a variety of areas drawing on their longstanding careers in Swedish and international markets.

In its work, the Nomination Committee gives particular consideration to the importance of a diverse set of Board members, including their gender, age and nationality, as well as their experiences, professional backgrounds and business disciplines. The Committee believes the composition of the proposed Board is fit-for-purpose in respect of the various dimensions of diversity, and will continue to pursue a high degree of diversity in its efforts to compose the most capable Board.

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 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.tele2.com](http://www.tele2.com).

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April 2016

THE NOMINATION COMMITTEE  
TELE2 AB (PUBL)

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

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### **Mike Parton**

Chairman of the Board, elected in 2007

**Born:** 1954

**Nationality:** British citizen

**Independence:** Independent in relation to the company and management as well as in relation to the company's major shareholders.

**Holdings in Tele2:** 19,625 B shares

**Committee work:** Member of the Remuneration Committee

Mike Parton is Chairman of Arqiva (since 2015), a UK based telecoms and broadcast infrastructure company. He is a member of the Chartered Institute of Management Accountants. Furthermore, he is a member of the Advisory Board of a UK charity called Youth at Risk.

He was CEO and Chairman of Damovo Group Ltd, an international IT company (between 2007 and 2014) and CEO of Marconi plc (between 2001 and 2006).

Trained as Chartered Management Accountant.

### **Sofia Arhall Bergendorff**

Proposed new Non-Executive Director

**Born:** 1969

**Nationality:** Swedish citizen

**Independence:** Independent in relation to the company and its management as well as in relation to the company's major shareholders.

**Holdings in Tele2:** -

Sofia Arhall Bergendorff is Director of Global Operations, Partnerships at Google in New York since 2015. Sofia joined Google in 2011 as Sales Operations Manager, Nordics, and relocated to New York in 2013 to assume the position of Head of Americas Strategy and Operations, Partnerships.

During 2009-2011, Sofia was an independent management consultant, prior to which she spent five years at Copenhagen Consulting Company (now Quartz+Co) as a Partner.

Sofia holds a BA in Journalism from the University of Oregon and an MBA from INSEAD.

### **Georgi Ganey**

Proposed new Non-Executive Director

**Born:** 1976

**Nationality:** Swedish citizen

**Independence:** Independent in relation to the company and its management as well as in relation to the company's major shareholders.

**Holdings in Tele2:** -

Georgi Ganey is Chief Executive Officer of Dustin Group since 2012.

Prior to joining Dustin, Georgi spent six years with the Telenor Group, first as Chief Executive Officer of Bredbandsbolaget and later as Chief Marketing Officer of Telenor Sweden. Between 2002 and 2007, Georgi worked at Tele2, first within Product Management during 2002-2005, and later as Sales and Marketing Director of Tele2's card payments processing service company 3C International up until the company's sale to Telekurs in 2007.

Georgi holds an MSc in Engineering from Uppsala University.

**Cynthia Gordon**

Proposed new Non-Executive Director

**Born:** 1962

**Nationality:** British citizen

**Independence:** Independent in relation to the company and its management, not independent in relation to the company's major shareholders.

**Holdings in Tele2:** -

Cynthia Gordon is Executive Vice President and Chief Executive Officer of the Africa Division at Millicom International Cellular.

Cynthia joined Millicom from the Qatar-based international telecommunications company Ooredoo in 2015. Prior to joining Ooredoo in 2012, Cynthia was Vice President, Business Marketing at Orange 2001-2006 and Chief Commercial Officer at MTS between 2007 and 2009 before returning to Orange as Vice President of Partnerships & Emerging Markets during 2009-2012.

Cynthia holds a BA in Business Studies from Brighton University.

**Lorenzo Grabau**

Non-Executive Director, elected in 2014

**Born:** 1965

**Nationality:** Italian citizen

**Independence:** Independent in relation to the company and management but not independent in relation to the company's major shareholders

**Holdings in Tele2:** -

**Committee work:** Chairman of the Remuneration Committee and member of the Audit Committee

Lorenzo Grabau is CEO of Investment AB Kinnevik since 2014. He is also Chairman of Global Fashion Group SA (since 2015), deputy Chairman of Zalando SE (since 2013), as well as Non-Executive Director of Millicom International Cellular S.A. (since 2013), of Rocket Internet SE (since 2014) and of Qliro Group AB (since 2014).

From 2011 to 2015 he served for different periods of time as Chairman of Avito AB and as Non-Executive Director of Investment AB Kinnevik, Modern Times Group MTG AB, CTC Media, Inc. and Softkinetic BV. He was a Partner and Managing Director at Goldman Sachs International in London (until 2011). He joined the Investment Banking division of Goldman Sachs in 1994 and during his 17 years at the firm held various leadership positions within the Consumer/Retail and Media/Online industry practices, and the Financial Sponsors Group. He began his career in Investment Banking in 1990 when he joined Merrill Lynch, where he remained for five years working in the Mergers & Acquisitions department in London and New York.

Dottore in Economia e Commercio, Università degli Studi di Roma, La Sapienza, Italy.

**Irina Hemmers**

Non-Executive Director, elected in 2014

**Born:** 1972

**Nationality:** Austrian citizen

**Independence:** Independent in relation to the company and management as well as in relation to the company's major shareholders

**Holdings in Tele2:** -

**Committee work:** Member of the Audit Committee

Irina Hemmers is a partner at Eight Roads, the proprietary investing arm of FIL, Fidelity International, and leads Principal Investing, a permanent capital fund focused on acquiring and investing in innovative long-term growth businesses.

She was Non-Executive Director of Trader Corporation, Trader Media Group and Top Right Group (until 2013), of Hit Entertainment (until 2012), Incisive Media/American Lawyer Media (until 2009) and SULO Group (until 2007). Previously, she was a Partner with private equity firm Apax Partners (between 2001 and 2013). During her 12 years with Apax Partners, she worked in Munich, Hong Kong and London. She began her career at McKinsey & Company in Vienna 1996.

M.Sc. in International Business and Economic Studies from University of Innsbruck, Austria, and an MPA from John F. Kennedy School of Government, Harvard University, USA.

### **Eamonn O'Hare**

Non-Executive Director, elected in 2015

**Born:** 1963

**Nationality:** Irish and British citizen

**Independence:** Independent in relation to the company and management as well as in relation to the company's major shareholders

**Holdings in Tele2:** -

**Committee work:** -

Eamonn O'Hare is Founder, Chairman and CEO of Zegona Communications, an investment company focusing on the European media and telecommunications sector. He is also a Non-Executive Board Director of Dialog Semiconductor (since 2014), a leading consumer technology supplier to the world's largest mobile device brands.

He was Chief Financial Officer and Board Director of Virgin Media from 2009 up until its sale to Liberty Global in 2013. Between 2005 and 2009, he served as the UK Chief Financial Officer of Tesco, one of the world's largest retailers. Before that he served as Chief Financial Officer and Board Director of Energies Communications and prior to that he spent ten years at PepsiCo in a series of executive roles in Europe, Asia and the Middle East.

B.Sc. Aeronautical Engineering, from Queen's University, Belfast, and MBA from London Business School.

### **Carla Smits-Nusteling**

Non-Executive Director, elected in 2013

**Born:** 1966

**Nationality:** Dutch citizen

**Independence:** Independent in relation to the company and management as well as in relation to the company's major shareholders

**Holdings in Tele2:** 1,500 B shares

**Committee work:** Chairman of the Audit Committee and member of the Remuneration Committee

Carla Smits-Nusteling is a Non-Executive Director at ASML (since 2013). She is also a member of the management board of the Foundation Unilever NV Trust Office (since 2015) and she is Lay judge of the Enterprise Court of the Amsterdam Court of Appeal (since 2015).

She has over 10 years' experience from Koninklijke KPN N.V., and was KPN's Chief Financial Officer (between 2009 and 2012). She joined KPN in 2000 and held various financial positions, whereof three years as Director of Corporate Control. Between 1990 and 2000, she worked at TNT Post Group N.V., an international express and mail delivery service, and held various managerial positions before her appointment as Regional Director in 1999.

M.Sc. Business Economics from Erasmus University, Rotterdam.



### **3. The Board reasoned statement pursuant to Ch 18 Sec 4 and Ch 19 Sec 22 of the Swedish Companies Act**

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The Board hereby presents the following statement in accordance with Ch 18 Sec 4 and Ch 19 Sec 22 of the Swedish Companies Act. The Board's reasons for the proposed dividend and 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 are 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 proposed dividend of SEK 5.35 per share amounted as per 31 December 2015 to SEK 2,387 million.

The proposed authorisations to repurchase shares means that the Board can acquire a maximum number of shares whereby the company's holding of own shares (treasury stock) amounts to not more than one tenth of all shares in the company.

The non-restricted equity in the parent company and the Group's retained earnings as of 31 December 2015 amounted to SEK 5,346 million and SEK 12,147 million respectively. The proposed dividend constitutes 21.9 percent of the parent company's equity and 13.3 percent of the Group's equity. At the same date, the Group's equity/assets ratio was 50 percent.

The proposed dividend and authorisation to repurchase the company's own shares do not limit the company's possibilities to complete on-going, 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 the proposals regarding dividend and repurchase**

With reference to the above and what has otherwise come to the knowledge of the Board, the Board is of the opinion that the proposed dividend, authorisation to repurchase the company's own shares to create flexibility in the work with the company's capital structure and to ensure delivery of shares under the proposed incentive programme are in accordance with the provisions Ch 17 Sec 3 paragraph 2 and 3 of the Swedish Companies Act, i.e are justified with reference to the requirements that the nature of the operations, its scope and risks place on the parent company's and Group's equity, consolidation requirements, liquidity, financing needs and position in general.

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Stockholm, April 2016

THE BOARD OF DIRECTORS  
TELE2 AB (PUBL)

**4. Auditors report in accordance with Ch 8 Sec 54 of the Swedish Companies Act regarding whether there has been compliance with the guidelines for remuneration to Executive Management as approved by the Annual General Meeting**

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**Auditors' report in accordance with Chapter 8, Section 54 of the Swedish Companies Act (2005:551), regarding compliance with the guidelines for remuneration to senior executives approved by the Annual General Meeting**

To the Annual General Meeting of Tele2 AB (publ), Corporate Identity Number 556410-8917

We have audited whether the board of directors and the managing director of Tele2 AB (publ) have complied with the guidelines for remuneration to senior executives during the financial year 2015 which were approved by the Annual General Meeting on May 12, 2014 and the Annual General Meeting on May 19, 2015.

*Responsibilities of the board of directors and the managing director*

The board of directors and the managing director are responsible for compliance with these guidelines and for such internal control as the board of directors and the managing director determine is necessary to enable compliance with these guidelines.

*Auditor's responsibility*

Our responsibility is to express an opinion, based on our audit, to the Annual General Meeting as to whether the guidelines have been complied with. We conducted our audit in accordance with FAR's standard RevR 8 *Audit of Remuneration to Senior Executives in Listed Companies*. This standard requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the guidelines have, in all material aspects, been complied with. The audit firm applies ISQC 1 (International Standard on Quality Control) and therefore has a system of quality control which encompasses documented principles and procedures to comply with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our audit has included a review of the organization for and the documentation supporting the remuneration to senior executives as well as new decisions related to compliance with the guidelines. Our procedures have also included testing a sample of payments during the year to senior executives. The procedures selected depend on the auditor's judgment, including the assessment of the risks of whether the guidelines have not, in all material aspects, been complied with. In making those risk assessments, the auditor considers internal control relevant to the compliance of 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 procedures provide a reasonable basis for our opinion, as set out below.

*Opinion*

In our opinion the board of directors and the managing director of Tele2 AB (publ.) have complied during the financial year 2015 with the guidelines for remuneration to senior executives, as adopted at the Annual General Meeting of Shareholders on May 12, 2014 and the Annual General Meeting on May 19, 2015.

Stockholm, March 29, 2016

Deloitte AB

*Signature on Swedish original\**

Thomas Strömberg  
Authorized Public Accountant

*\* This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.*

## **5. Evaluation of Tele2's remuneration to the president 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 Tele2 AB (publ) ("**Tele2**"), comprises the Chairman of the Board Mike Parton and the Board members Lorenzo Grabau and Carla Smits-Nusteling. Lorenzo Grabau is the Chairman of the Remuneration Committee.

In accordance with the Swedish Code of Corporate Governance (the "**Code**"), the Remuneration Committee has monitored and evaluated programmes for variable remuneration (both ongoing and those that have ended during the year), how the guidelines for remuneration to the senior executives adopted at the Annual General Meeting have been applied as well as the current remuneration structures and levels of remuneration in the company. The following is the Board's report of the results of the evaluation.

### **General information with respect to the remuneration to the executive management of Tele2**

The remuneration to Tele2's executive management comprises an annual base salary and variable short-term incentive ("**STI**") and long-term incentive programs. The objective of the remuneration is to attract, motivate and retain key employees. The remuneration shall be competitive within the context of an international peer group and create incentives for management to execute strategic plans and deliver excellent operating results and at the same time align management's incentives with the interests of the shareholders.

### **Variable remuneration**

The STI is performance based in relation to established objectives regarding Tele2's overall result and the individual performance. The maximum outcome of the STI is 100 percent of the annual base salary. Further information on the variable remuneration paid in cash is found in the Annual Report 2015.

Tele2 offers long-term share-based incentive programmes for the executive management and other key employees. The programmes are performance based and require participants to own Tele2 shares and remain in Tele2 employment during the term of the programme. Thus, the participants' remuneration are tied to the development of Tele2's result and value, which promotes continued loyalty with Tele2 and contributes to the long-term value growth of Tele2. Further information on the long-term incentive programmes such as outcome, participation ratio, the number of issued and outstanding instruments etc. is found in the Annual Report 2015.

### **Evaluation of programmes for variable remuneration**

The development of the programmes for variable remuneration is evaluated by the Remuneration Committee on a continuous basis throughout the year and the programmes' expected outcome are reported to the Board and discussed at Board meetings. The Remuneration Committee also monitors to what extent the executive management participates in the programmes. The evaluation of the programmes for variable remuneration has shown that:

- the programmes are well aligned with the shareholders' interests,
- the programmes are important for attracting, motivating and retaining the competence needed throughout the Tele2 group, and
- long-term equity based incentive programmes that are performance based and requires an own investment in Tele2's shares are well functioning and are achieving the sought results.

The Board will based on the results of the evaluation propose a long-term incentive programme with the same structure as adopted the past years.

**Evaluation of the guidelines for remuneration**

The evaluation has resulted in the conclusion that the guidelines for remuneration to senior executives that the Annual General Meetings 2014 and 2015 established have been applied on such remunerations in the company during the year.

**Evaluation of the current remuneration structures and levels in Tele2**

The Board of Director's view is that the remuneration for the executive management strikes an appropriate balance between motivating the members of the executive management to execute strategic plans and deliver excellent operating results and achieving a competitive compensation that aligns the management's incentives with the interests of the shareholders.

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Stockholm, April 2016

THE BOARD OF DIRECTORS  
TELE2 AB (PUBL)

## **6. The proposed wording of the Articles of Association.**

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### **Articles of Association Tele2 AB, reg. no 556410-8917**

Adopted by the Annual General Meeting on 24 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 registered name of the company is Tele2 AB. The company is a public company (publ).

#### **§ 2**

The registered office of the board of directors is in the Municipality of Stockholm.

#### **§ 3**

The primary objective of the company's operations shall be to generate profits for its shareholders. Moreover, the company shall provide services and technical expertise, broadcast and transmit radio and television programmes and carry out related operations. Furthermore, the company shall send and transmit telephony carried by radio waves and cable and carry out related operations. The company shall also be able to own and manage real property as well as shares and other chattels and carry out related operations. The company shall be entitled to give guarantees or other securities for undertakings entered into by another company in the same group.

#### **§ 4**

The company's share capital shall be not less than SEK 250,000,000 and not more than SEK 1,000,000,000.

The number of shares shall be not less than 400,000,000 and not more than 1,600,000,000.

#### **§ 5**

The shares shall be of three classes, Class A, Class B and Class C. Shares of Class A may be issued up to a maximum of 1,600,000,000, shares of Class B may be issued up to a maximum of 1,600,000,000 and Class C shares may be issued up to a maximum of 1,600,000,000. Class A shares entitle to ten votes each and Class B and Class C shares entitle to one vote each.

Class C share 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 30 days with an additional 1.00 percentages calculated from the day of payment of the subscription price. STIBOR 30 days is set on the first business day of each calendar month.

If the company resolves to issue new Class A, Class B, and Class C shares by a new issue of shares, other than by an issue in kind, each holder of Class A, B and 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 shares already held, or, to the extent that this is not possible, by lot.

If the company resolves on an issue of new shares, other than by an issue in kind, solely of Class A, Class B or Class C shares, 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 already 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 of Class A and Class B 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. Class C shares do not carry rights to participate in bonus issues. 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 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 30 days with additional 1.00 percentages calculated from the day of payment of the subscription price. STIBOR 30 days 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.

Upon decision by the Board of Directors, Class C shares shall be reclassified into Class B shares, provided that the shares are held by the Company. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Register (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD Register.

It shall be possible to reclassify Class A shares to Class B shares. Holders of Class A shares shall, during the calendar months January and July each year (the "Reclassification periods"), be entitled to request that all or part of the shareholder's Class A shares shall be reclassified to Class B shares. The request shall be made in writing and must have been received by the Board of Directors no later than on the last day of the specific Reclassification period. The request shall state (i) the number of Class A shares that the shareholder wants to reclassify or (ii) the maximum percentage of the total number of votes in the Company, that the shareholder wants to hold, after reclassification has been completed of all Class A shares requested to be reclassified during the specific Reclassification period. When making a request according to alternative (ii) above, the shareholder shall also state the total number of Class A and Class B shares that the shareholder holds at the time of the request.

By the end of each Reclassification period, the Board of Directors shall consider the question of reclassification. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Register (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD Register.

The number of members of the board of directors shall amount to at least five and no more than nine members, with no more than the same number of deputies.

#### **§ 7**

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.

#### **§ 8**

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

#### **§ 9**

Notice of a General Meeting of shareholders shall be published in the Official Swedish Gazette (Sw. 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.

#### **§ 10**

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.

#### **§ 11**

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).

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