

Proposal from the board of directors to (a) reduce the share capital by way of voluntary redemption of the company's shares for repayment to the shareholders and (b) increase the share capital by way of a bonus issue, without the issuance of new shares

The board of directors of Com Hem Holding AB (publ), company reg. no. 556858-6613, proposes that the extraordinary general meeting on 10 March 2015 resolves to (a) reduce the share capital of the company by way of voluntary redemption of the company's shares for repayment to the shareholders and (b) increase the share capital of the company by way of a bonus issue, without the issuance of new shares, with an amount corresponding to the maximum amount by which the share capital can be reduced, by way of redemption of shares, as set out below.

The general meeting's resolution according to items (a) and (b) below shall be passed together as one resolution.

(a) Reduction of the share capital by way of voluntary redemption of the company's shares for repayment to the shareholders (item 7 a)

The board of directors proposes that the general meeting resolves to reduce the share capital of the company with no more than SEK 6,694,503. The share capital may thus be reduced to a minimum of SEK 200,835,094. The reduction of the share capital shall be made by way of voluntary redemption of no more than 6,694,503 shares, each with a quota value of SEK 1, for repayment to the shareholders. The number of shares may thus be reduced to a minimum of 200,835,094 shares.

The reduction of the share capital for repayment to the shareholders shall be made by way of voluntary redemption. Shareholders that wish to redeem shares shall call for such redemption through an application procedure. The right to call for redemption shall vest in shareholders with redemption rights.

- Each share in the company shall entitle to 1 redemption right, and 31 redemption rights shall entitle to call for redemption of 1 share in the company.
- For each redeemed share the company shall pay an amount of SEK 73.50. The consideration per share exceeds the shares' quota value with SEK 72.50. The part of the consideration which exceeds the shares' quota value shall be taken from the company's unrestricted equity. The aggregate consideration that may be paid out amounts to a maximum of SEK 492,045,970.50.
- The last day of trading in shares including redemption rights shall be 16 March 2015.
- The record date for the right to receive redemption rights shall be 18 March 2015.
- The application period during which redemption may be called for shall be from and including 24 March 2015 until and including 21 April 2015.
- Trading in redemption rights at NASDAQ Stockholm is intended to take place during the period from and including 24 March 2015 until and including 17 April 2015.
- Payment of consideration for redeemed shares shall occur no later than the tenth business day following the day when the resolution of the reduction of the share capital and the resolution of the bonus issue have been registered with the Swedish Companies Registration Office.

- Receivers of redemption rights shall have the right to sell a maximum of 1 000 redemption rights free of commission. Application for commission-free sale shall be made during the period from and including 24 March 2015 until and including 14 April 2015.

Available amount pursuant to chapter 17, section 3, paragraph 1 of the Swedish Companies Act

On 12 May 2014 the annual general meeting established the company's unrestricted equity (including available profits and non-restricted reserves), which amounts to SEK 4,174,658,119. The annual general meeting resolved that the available profits and non-restricted reserves shall be carried forward. As per the balance sheet date, 31 December 2013, the company's restricted equity amounted to SEK 42,172,125. Thereafter there have been changes in the company's restricted equity, and the restricted equity now amounts to SEK 207,529,597. The restricted equity has been changed through changes in the company's share capital as set out below. In May 2014 the share capital was increased with SEK 23,501 (by way of a new issue). During June 2014 the share capital was increased with SEK 8,617,930 (by way of a new issue), with SEK 57,840,587 (by way of a bonus issue) and with SEK 89,136,249 (by way of a new issue). During the same month the share capital was decreased with SEK 36,213 (by way of redemption of preferential shares). During July 2014 the share capital was increased with SEK 9,775,418 (by way of a new issue). The redemption of the preferential shares was performed for repayment to the holders of preferential shares. The repayment to the shareholders resulted in a value transfer of SEK 4,823,209.47. The available amount pursuant to chapter 17, section 3, paragraph 1 of the Swedish Companies Act thus amount to SEK 4,004,477,437.53, prior to the measures proposed by the board of directors, and will after such measures have been taken amount to a minimum of SEK 3,512,431,467.03.

The board of directors' report pursuant to chapter 20, section 13, 4 paragraph of the Swedish Companies Act

The resolution to reduce the share capital for repayment to the shareholders in accordance with this item (a) may be performed without obtaining authorization from the Swedish Companies Registration Office or, in the event of dispute, a court of general jurisdiction, since the company simultaneously performs a bonus issue, as proposed under item (b) below, whereby the share capital is increased with an amount corresponding to the maximum amount by which the share capital may be reduced. Consequently, these measures will result in that neither the company's restricted equity nor its share capital is reduced.

The company's share capital amounts to SEK 207,529,597. After the reduction of the share capital has been performed, the company's restricted equity and share capital will amount to no less than SEK 200,835,094. After the bonus issue has been performed the company's restricted equity and share capital will amount to at least SEK 207,529,597. Consequently, the company's restricted equity and share capital will, after the bonus issue has been performed, be restored and amount to at least the same amount as prior to the reduction of the share capital. As the company by way of the bonus issue will have taken a measure resulting in that neither the company's restricted equity nor its share capital is reduced, the resolution to reduce the share capital for repayment to the shareholders may be implemented without obtaining authorization from the Swedish Companies Registration Office or, in the event of dispute, a court of general jurisdiction.

(b) Increase of the share capital by way of a bonus issue, without the issuance of new shares (item 7 b)

In order to perform the reduction of the company's share capital pursuant to the above proposal under item (a) without obtaining authorization from the Swedish Companies

Registration Office or, in the event of dispute, a court of general jurisdiction, the board of directors proposes that the general meeting, simultaneously with its resolution to reduce the company's share capital by way of redemption of shares for repayment to the shareholders pursuant to item (a) above, also resolves to increase the company's share capital by way of a bonus issue, without the issuance of new shares, as follows.

- The company's share capital shall be increased with SEK 6,694,503, without the issuance of new shares.
- The increase of the share capital shall be made by way of a transfer of SEK 6,694,503 from the company's unrestricted equity, as per the most recently adopted balance sheet.

Other information

The board of directors' reasoned statement pursuant to chapter 20, section 8 of the Swedish Companies Act, the board of directors' reports pursuant to chapter 12, section 7 and chapter 20, section 12 of the Swedish Companies Act (including the company's most recently adopted annual report and audit report) as well as the auditor's statements over the board of directors' statement and reports as per the above, are appended to this proposal.

The board of directors, or anyone appointed by the board of directors, shall be authorized to make such minor adjustments to the above resolution as may be required in connection with registration of the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB, and in addition, to make such adjustments that may be necessary in order to execute the resolution.

A valid resolution in accordance with the board of directors' proposal under item (a) and (b) above requires that shareholders with no less than two thirds of both the votes cast and the shares represented at the general meeting vote in favour of the proposal.

An information brochure that further describes the voluntary redemption program will be prepared due to the board of directors' proposal set out above. The information brochure will be made available before the commencement of the application period.

Stockholm in February 2015

Com Hem Holding AB (publ)

The Board of Directors