

*The text in English is an unofficial translation of the Swedish original wording. If there are differences between the English translation and the Swedish original, the Swedish text will take precedence.*

### **Resolution on authorization to issue shares and certain other financial instruments (item 18)**

The Board of Directors proposes that the general meeting resolves to authorize the Board of Directors to, on one or more occasions before the Annual General Meeting of 2017, resolve on issues of shares, warrants and/or convertible instruments, in accordance with the following.

- a) Issues may be carried out with or without considering the shareholders' preferential rights.
- b) The total number of shares which can be issued through resolutions under the authorization shall not exceed 400,000,000 shares through share issues, the exercise of warrants and/or conversion of convertible instruments (this does, however, not prevent warrants and convertible instruments from being combined with terms and conditions for recalculation which, if applied, may result in another number of shares), corresponding to approximately 34 percent of the number of shares and votes in the Company after dilution, based on the number of shares and votes in the Company as at the date of this notice including outstanding warrants and an ongoing issue in kind directed to the sellers of IKAS company.
- c) Issues carried out without the shareholders' preferential rights with cash payment or payment by set-off of claims, may only take place at a price in line with the market price of the Company's share with a deduction for such market-related discount deemed required by the Board of Directors for successfully carrying out the issue. In case of a rights issue, the Board of Directors decides on the pricing.
- d) The authorization shall include a right to resolve on issues with cash payment, payment by set-off of claims or payment with non-cash consideration, and in combination with such conditions referred to in Chapter 2, section 5 second paragraph, points 2–3 and 5 of the Swedish Companies Act.

The reason for the Board of Directors' proposal as well as the possibility to disregard the shareholders' preferential rights is that the Company must be prepared to without delay improve its financial position and strengthen the shareholder value by way of opportunities that may arise. The authorization approved at the Extraordinary General Meeting on December 23, 2015 expires as of the Annual General Meeting of 2016.

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The Board of Directors or a person appointed by the Board of Directors shall be authorized to make any minor adjustments required to register the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB.

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Resolution according to this item demands support by at least 2/3 of both the votes present and casted at the general meeting in order to be valid.

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Stockholm May 2016  
Axactor AB (publ)  
**The Board of Directors**

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