

Minutes recorded at the Annual General Meeting of Axactor AB (publ), reg. no 556227-8043, on 31 May 2017, at 10:30 AM held at MAQS Advokatbyrå, Mäster Samuelsgatan 20 in Stockholm.

**1. Opening of the meeting**

The meeting was declared open by the chairman of the board Bjørn Erik Næss.

**2. Appointment of Chairman at the Annual General Meeting**

It was resolved to appoint Patrik Essehorn as chairman of the meeting. The meeting was informed that that lawyer Michael Hylander has been appointed as keeper of the minutes and keeping count of the votes at the meeting.

**3. Establishing and approval of the voting register**

The list of present shareholders, **Schedule A**, was approved as voting register at the meeting. Schedule A also sets out which shareholders that are represented by proxy.

**4. Approval of the Agenda**

The annual general meeting agreed to approve the proposal of agenda as set out in the summons, **Schedule B**.

**5. Appointment of one or two persons to verify the minutes**

It was resolved to appoint Anita Höst and Mark Kristoffersson to verify the minutes in addition to the chairman.

The chairman pointed out that the protocol from the annual general meeting will be published on the company's webpage and that the protocol may contain names of shareholders, proxies or advisors, which requires consent from the concerned persons pursuant to the personal data act. The annual general meeting approved to that a person expressing him/herself during the meeting is considered to have given such consent by taking the floor, unless otherwise is clarified in connection to this.

**6. Declaration of whether the annual general meeting was properly convened**

After noting that the summons to the annual general meeting had been made available at the company's webpage and published through a press release on 2 May 2017, the summons to the annual general meeting was published in the official gazette, Post- och

Inrikes Tidningar, and that information, about the publishing of the summons to the annual general meeting, had been published in Svenska Dagbladet on 3 May 2017, it was noted that the annual general meeting considered itself duly convened.

## **7. Presentation of the annual report and the auditor's report, as well as consolidated financial statements and auditor's report for the group**

Presentation of the annual report and the auditor's report for the financial year 2016, containing consolidated financial statements and auditor's report for the group.

It was noted that the annual report and the auditor's report as well as the consolidated financial statements and the auditor's report for the group have been available for the shareholders at the premises of the company and on the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

The documents were approved to have been presented.

The company's CEO Endre Rangnes presented the company's operations for the previous business year as well as for the first quarter of 2017.

The company's auditor, through the responsible auditor Johan Palmgren, reported on the audit work in the company and presented the auditor's report and the auditor's report for the group.

It was confirmed that the auditor had approved that the annual general meeting should determine the income statement and balance sheet for the parent company as well as for the group and that the profit in the parent company should be disposed in accordance with the proposal in the management report. It was further confirmed that the auditor had approved to discharge the board members and the CEO from liability.

## **8. Profit disposition etc.**

The Chairman announced that the following profits were at the annual general meetings' disposal.

Balance sheet result	<b>1,234,998,000 SEK</b>
Annual result	<b>40,636,000 SEK</b>
<b>Total:</b>	<b>1,275,634,000 SEK</b>

It was noted that the board's proposal on disposition of profit have been made available to the shareholders at the premises of the company and at the Company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

The annual general meeting decided

- a) to adopt the income statement and balance sheet as well as the income statement and balance sheet for the group;

- b) that the retained incomes at the annual general meeting's disposal shall be brought forward; and
- c) to discharge each of the board members Einar Greve, Per Dalemo, Gunnar Hvammen and the CEO Endre Rangnes from liability for the financial year 2016.

Noted that the CEO has not participated in the decision regarding discharge from liability for himself.

#### **9. Determination of the number of board members and deputy member as well as the number of auditors and potential deputy auditor**

Patrik Essehorn presented the nomination committee's proposal to the annual general meeting regarding the number of board members and deputy member as well as the board's proposal to elect an audit firm as the company's auditor.

It was noted that the nomination committee's full proposal to the annual general meeting, the nomination committee's motivated statement regarding the proposed board composition as well as information about members and auditor have been made available to the shareholders at the premises of company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

It was decided that the number of board members in the company shall remain six (6) with one deputy member and that the company will remain with one (1) registered audit firm as auditor.

#### **10. Determination of remuneration for the board of directors**

The nomination committee's proposal for remuneration for the board of directors was presented by Patrik Essehorn.

It was noted that the nomination committee's full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

It was decided that the remuneration for the board of directors shall be paid pursuant to the presented proposal. Further, it was noted that the annual general meeting, on proposal of the nomination committee, requested each member to invest 25 % of the remuneration received pursuant to this item, in shares in the company.

#### **11. Determination of remuneration for the auditor**

It was decided that remuneration to the auditor shall be paid pursuant to approved invoices.

## **12. Election of board of directors and potential deputy member**

The nomination committee's proposal for election of board members, deputy member and chairman of the Bboard was presented by Patrik Essehorn.

It was noted that the nomination committee's full proposal to the annual general meeting, the nomination committee's motivated statement regarding the proposed board of directors as well as information regarding the members have been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

It was decided that, for the time until the end of the upcoming annual general meeting, re-elect Bjørn Erik Næss (member), Beate Skjerven Nygårdshaug (member), Brita Eilertsen (member), Merete Haugli (member), Terje Mjøs (member), Dag Strømme (member) och Michael Hylander (deputy member).

It was decided to re-elect Bjørn Erik Næss as chairman of the board.

## **13. Election of auditors and potential deputy auditor**

It was decided that, for the time until the end of the upcoming annual general meeting, re-elect the registered audit firm PwC as the auditor for the company. It was noted that Johan Palmgren had been appointed by PwC to continuously be the responsible auditor.

## **14. Resolution on adopting new articles of association**

The chairman presented and reported for the board of directors's proposal.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

It was decided – with required majority of minimum two thirds of both given votes as well as the shares represented at the annual general meeting – to adopt new articles of association pursuant to the board of director's proposal, **Schedule C**.

## **15. Resolution on authorizing the board of directors to resolve to issue new shares**

The chairman presented and reported for the board of directors' proposal to authorize the board of directors to resolve to issue new shares.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

The proxy for DNB Asset Management presented that the DNB's funds will support the board of directors' proposal but considers, however, that the scope of the authorization to resolve to issue new shares, in principle is too extensive.

It was decided – with required voting majority of minimum two thirds of both given votes as well as the shares represented at the annual general meeting – to authorize the board of directors to within the frame of current articles of association, with or without derogation from the shareholders' right to pre-emption, at one or several occasions during the time until the upcoming annual general meeting, resolve to increase the company's share capital through issuing of new shares, issuing of warrants and/or issuing of convertible bonds pursuant to the following:

The purpose of the board of the directors' proposal, as well as the rationales to allow new issue with derogation from the shareholders' right to pre-emption, is to enable the company to acquire new legal entities and/or debt portfolios as well as that the company is in need of preparedness to urgently improve its financial status and strengthen the shareholder value by finding one or several new investors.

- (i) New issue shall be possible with or without derogation from the shareholders' right to pre-emption.
- (ii) The total maximum amount of shares that may be issued based on the authorization, by new issue of shares, exercising of warrants and/or conversion of convertible bonds (which do not hinder the warrants or the convertible bonds to be combined with recalculation conditions that if they were applied could result in another number of shares) shall be 400,000,000, which would be equal to 31,2 percent of the number of outstanding shares and votes after dilution (based on the number of shares and votes that are outstanding as per the date of the notice to this annual general meeting including outstanding warrants).
- (iii) New issue through cash payment or off-set issued with derogation from the shareholders' right to preemption may only take place for a price no lower than the market value with deduction for such market discount that the board of directors considers necessary for the new issue to be issued. For a new issue with consideration for the shareholders' right to preemption, the pricing will be decided by the board of directors.
- (iv) The authorization shall contain the right to decide on new issue with cash payment, payment through off-set or payment with non-cash consideration, and otherwise combine with conditions referred in chapter 2, section 5, paragraph 2, item 2-3 and 5, the Swedish Companies Act.

## **16. Resolution regarding new Employee Stock Option Programs**

The chairman presented and reported for the key points in the board of directors' proposal to adopt new employee stock option programs for employees in managing positions and key employees in the Company.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

It was decided – with required voting majority of minimum nine tenths of both given votes as well as the shares represented at the annual general meeting – to approve the adoption of the employee stock option programs on the terms and conditions pursuant to the board of directors' proposal in **Schedule D**, and to instruct the Board of Directors to execute the implementation of the programs.

**17. (a) Resolution regarding issuing of warrants within the frame of employee stock option program A:2017 and approval of transfers pursuant to chapter 16, section 4 ABL**

The chairman presented and reported for the key points in the board of directors' proposal for resolution regarding issuing of warrants within the frame of employee stock option program A:2017 and for the approval of transfers pursuant to chapter 16, section 4 ABL.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

It was decided – with required voting majority of minimum nine tenths of both given votes as well as shares represented at the annual general meeting – in accordance with the board of directors' proposal for resolution in **Schedule E**.

**17. (b) Resolution regarding issuing of warrants within the frame of Employee Stock Option Program B:2017 and approval of transfers pursuant to chapter 16, section 4 ABL**

The chairman presented and reported for the key points in the Board of Directors' proposal for resolution regarding issuing of warrants within the frame of Employee Stock Option Program B:2017 and for the approval of transfers pursuant to chapter 16, section 4 ABL.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

It was decided – with required voting majority of minimum nine tenths of both the given votes as well as the shares represented at the annual general meeting – in accordance with the board of directors' proposal to resolution in **Schedule F**.

**18. Amendments of the terms and conditions for the employee stock option program and thereto related warrants agreed upon on the extraordinary general meeting on November 17<sup>th</sup>, 2015**

The chairman presented and reported for the key points in the board of directors' proposal to amend the terms and conditions for the employee stock option program and thereto related warrants agreed upon on the extraordinary general meeting on November 17<sup>th</sup>, 2015.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

It was decided – with required voting majority of minimum nine tenths of both given votes as well as the shares represented at the annual general meeting – in accordance with the board of directors' proposal in **Schedule G**.

**19. (a) Authorization for the board of directors to acquire own shares**

The chairman presented and reported for the board of directors' proposal to authorize the board of directors to acquire own shares.

It was noted that the board of directors' proposal and the motivating statement pursuant to chapter 18, section 22 ABL, have been made available for the shareholders prior to the annual general meeting. The documents had also been presented at the annual general meeting. The company has, as per the time of the annual general meeting, no own shares.

It was decided – with required voting majority of minimum two thirds of both given votes as well as shares represented at the annual general meeting – to authorize the board of directors to, at maximum for the period until the upcoming annual general meeting, to decide to acquire own shares pursuant to the following:

- (i) Acquisition of own shares may not lead to that the company group's total holding of own shares after acquisition exceeds two (2) percent of the total of all shares registered in the company.
- (ii) Acquisition may take place at one or several occasions during the time until the next annual general meeting.
- (iii) Acquisition may take place through trade on the regulated marketplace the Oslo Stock Exchange.

- (iv) Acquisition may only take place for a price per share that falls within the currently registered price range.
- (v) Payment for the shares shall be made in cash.

**19. (b) Resolution regarding transfer of own shares within the frame of the employee stock option program pursuant to section 16 and 18 above**

The chairman presented and reported for the board of directors' proposal to transfer own shares within the frame of the employee stock option program ESOP 2016 and ESOP 2017, respectively.

It was noted that the board of directors' proposal and motivated statement pursuant to chapter 19, section 22 ABL, have been made available for the shareholders prior to the annual general meeting. The documents had also been presented at the annual general meeting. The company has, as per the time of the annual general meeting, no own shares.

It was decided – with required voting majority of minimum nine tenths of both given votes as well as the shares represented at the annual general meeting – to authorize the board of directors to execute the transfers of own shares within the frame of the employee stock option programs ESOP 2016 and ESOP 2017, respectively, as agreed on the annual general meeting, pursuant to the following:

- (i) Transfers may take place of all own shares held by the company at the times when the board executes the annual general meeting's resolutions.
- (ii) Transfers may take place during the time periods stated in ESOP 2016 and ESOP 2017, respectively.
- (iii) Transfers of shares may take place to the holders of employee stock options within the frame of the employee stock option programs ESOP 2016 and ESOP 2017, i.e. through trade outside a regulated marketplace.
- (iv) Transfers may only take place for a price per share as set out in the terms and conditions for the employee stock option programs ESOP 2016 and ESOP 2017, respectively.
- (v) Payment for transferred shares shall be made in cash and within the time periods stated in ESOP 2016 and ESOP 2017, respectively.
- (vi) Other terms and conditions for transfers of own shares within the frame of ESOP 2016 and ESOP 2017, respectively, are stated in the option programs mentioned.



## **20. Adopting guidelines for the Nomination Committee**

The chairman presented and reported for the board of directors' proposal for guidelines to the nomination committee.

It was noted that the board of directors' full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

It was decided to adopt the proposed guidelines for the nomination committee as set out in **Schedule H**.

## **21. Adoption of principles for the appointment procedure of the nomination committee and remuneration to its members**

The chairman presented and reported for the nomination committee's proposal for principles for the appointment procedure of the nomination committee and remuneration to its members.

It was noted that the nomination committee's full proposal to the annual general meeting has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting. The document has also been presented at the annual general meeting.

It was decided that the nomination committee shall present a composition proposal for election to the upcoming annual general meeting for the period until the end of the thereafter upcoming annual general meeting. It was further decided that remuneration for the members of the nomination committee shall be paid in accordance with the presented proposal.

## **22. Presentation of the company's code on corporate governance**

The company's code on corporate governance and the board of directors' proposal regarding remuneration policy for management was presented.

It was noted that the company's code on corporate governance and the board of directors' proposal regarding remuneration policy for management has been made available to the shareholders at the premises of the company and at the company's webpage. The documents have been sent to the shareholders who have specifically requested them and have been available for all shareholders at the registration for the annual general meeting.

The documents were approved to have been presented.

**23. Resolution about settlement with Ulrik Jansson, Terje Engström Lien, Hans Lindroth and Jukka Kallio regarding liability claims towards Axactor**

The company's CFO Geir Johansen presented the board of directors' proposal for settlement.

It was decided to approve the presented proposal for settlement as set out in **Schedule I**. It was noted that only 70,000 of the shares represented at the annual general meeting had voted against the proposal for settlement. Consequently, the prerequisites to enter into a settlement pursuant to chapter 29, section 8 ABL are fulfilled.

**24. Resolution regarding authorization to adopt minor adjustments of the resolutions**

It was decided to authorize the board of directors, the CEO or anyone who the board of directors otherwise appoints, to adopt minor adjustments and clarifications of the resolutions made at the annual general meeting to the extent that this is required for registration of the resolutions.

**25. Closing of the meeting**

The chairman of the board thanked the shareholders for their participation in the meeting.

The chairman declared the annual general meeting closed.

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Patrik Essehorn, Chairman

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Michael Hylander, Keeper of the minutes

Verified by:

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Carl-Magnus Broström

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Axel Berglund

**Agenda**

1. Opening of the Annual General Meeting
2. Election of chairman of the general meeting
3. Preparation and approval of the voting register
4. Presentation and approval of the agenda
5. Election of one or two persons to verify the minutes
6. Determination of whether the meeting has been duly convened
7. Presentation of the annual report and auditor's report, as well as consolidated financial statements and auditor's report for the group
8. Resolution regarding:
  - a. Adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet;
  - b. Disposition of the Company's profit in accordance with the adopted balance sheet; and
  - c. Discharge from liability for the board members and the CEO
9. Determination of the number of board members and deputy member as well as the number of auditors and potential deputy auditor
10. Determination of remuneration for the Board of Directors
11. Determination of remuneration for the auditors
12. Election of the board members and deputy member
13. Election of auditors and deputy auditor
14. Resolution on adopting new Articles of Association
15. Authorizing the Board of Directors to resolve to issue new shares
16. Resolution regarding new Employee Stock Option Program
17. (a) Resolution regarding issuing of warrants within the frame of Employee Stock Option Program A:2017 and approval of transfers pursuant to chapter 16, section 4, the Swedish Companies Act.  
  
(b) Resolution regarding issuing of warrants within the frame of Employee Stock Option Program B:2017 and approval of transfers pursuant to chapter 16, section 4, the Swedish Companies Act.

18. Amendments of the terms and conditions for the Employee Stock Option Program and thereto related warrants adopted on the extraordinary general meeting on November 17<sup>th</sup> 2015.
19. (a) Authorization for the Board of Directors to acquire own shares.  
  
(b) Resolution regarding transfer of own shares within the frame of the Employee Stock Option Program pursuant to section 16 and 18 above.
20. Adoption of guidelines for the Nomination Committee.
21. Adoption of principles for the appointment procedure of the Nomination Committee and remuneration to its members.
22. Presentation of the Company's Code on Corporate Governance.
23. Resolution about settlement with Ulrik Jansson, Terje Engström Lien, Hans Lindroth and Jukka Kallio regarding liability claims towards Axactor.
24. Resolution regarding authorization to adopt minor adjustments of the resolutions.
25. Closure of the meeting.

## **ARTICLES OF ASSOCIATION**

for

**Axactor AB (publ)**

**reg. nr 556227-8043**

### **1 The name of the Company**

The Company's name is Axactor AB (publ).

### **2 The registered office of the Board of Directors**

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

### **3 The Company's business**

The object of the Company's business is to directly, or through subsidiaries or via co-operations with others, conduct debt collection work, extend financial and administrative services, legal service, acquire debt, invoice service and investment operations, as well as therewith associated activities.

### **4 Share capital**

The share capital shall constitute a minimum of 50,000,000 EUR and maximum 100,000,000 EUR.

### **5 Number of shares**

The number of shares in the Company shall be a minimum of 1,000,000,000 and maximum 2,000,000,000.

### **6 Board of Directors**

The Board of Directors shall constitute of minimum three (3) and maximum six (6) directors and minimum zero (0) and maximum six (6) deputies.

### **7 Audit**

For the audit of the Company's Annual Report, the book-keeping and the Board's and CEO's administration, a registered audit company or one (1) or two (2) auditors with one (1) deputy, shall be appointed.

**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

**8 Notice to Annual General Meeting**

The notice to the Annual General Meeting shall be published in Post och Inrikes Tidningar and on the Company's webpage. Information about that the notice has been published, shall be published in Svenska Dagbladet.

**9 Pre-notification to attend the Annual General Meeting**

Shareholder who wishes to participate at the Annual General Meeting, shall be recorded in a transcript, or any other presentation, of the share ledger five days prior to the Annual General Meeting, and notify the Company no later than on the day stated in the notice to the Annual General Meeting. Such day may not be a Sunday, other Public Holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth workday before the Annual General Meeting.

Shareholders may bring one or two advisors, provided that the shareholder pre-notifies this to the Company pursuant to the above.

**10 Presence of a third party at the Annual General Meeting**

The Board has the right to decide that non-shareholders may, on the terms and conditions decided by the Board, have the right to attend or in other ways observe the negotiations at the Annual General Meeting.

**11 Record day provision**

The Company's shares shall be registered in a record day register pursuant to the Financial Instruments Accounts Act (1998:1479).

**12 Annual General Meeting**

The Annual General Meeting is held annually no later than six months after the end of the financial year.

On the Annual General Meeting, the following matters shall be addressed:

1. Election of chairman of the Annual General Meeting.
2. Preparation and approval of the voting register.
3. Approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the meeting has been duly convened.
6. Presentation of the annual report and auditor's report, as well as consolidated financial statements and auditor's report for the group.

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**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

7. Resolution regarding:
  - (a) Adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet;
  - (b) disposition of the Company's profit in accordance with the adopted balance sheet; and
  - (c) discharge from liability for the board members and the CEO.
8. Determination of the number of board members and deputy members as well as the number of auditors and potential deputy auditor to be elected by the Annual General Meeting.
9. Determination of remuneration for the Board of Directors and the auditor.
10. Election of the Board of Directors and potential deputy members and auditors and a potential auditor deputy.
11. Other matters for the Annual General Meeting pursuant to the Swedish Companies Act (2005:551) or the Articles of Association.

**13 Financial year**

The financial year of the Company is the calendar year.

**14 Accounting currency**

The Company's accounting currency is the euro (EUR).

**15 Nomination Committee**

The Company shall have a Nomination Committee consisting of two to four members. The majority of the members shall be independent in relation to the Board members and the Company management.

The Nomination Committee shall give a proposal for Chairman and other members of the Board as well as remuneration and other compensation for the Board work to each Board member.

The Annual General Meeting shall adopt principles for the election of the Nomination Committee as well as guidelines for the Nomination Committee and remuneration to its members.

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These Articles of Association have been adopted on [the Annual General Meeting, May 31<sup>st</sup> 2017]



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## ITEM 16 – THE BOARD’S FULL PROPOSAL TO EMPLOYEE STOCK OPTION PROGRAM A:2017

The board proposes that the annual general meeting decides to adopt the following employee stock option program.

The employee stock options are gratuitous and shall be allocated to certain employees in companies within the Axactor group pursuant to below (the "**Employee Option Holders**").

The total number of employee stock options that may be issued is maximum 40,000,000. There will be four categories of participants in the employee stock option program, see below. The Board’s distribution of employee stock options within each category respectively shall be differentiated with reference to position, responsibilities and performance within the group.

**Category I**                    Members in the group management and other important key employees on the group level

**Category II**                Country managers

**Category III**              Employees in managing positions within each country manager’s organization respectively

**Category IV**              Other key employees

To be entitled employee stock options, each Employee Option Holder shall in connection to receiving employee stock options enter into a separate Employee Stock Option Agreement (the "**Employee Stock Option Agreement**") with Axactor AB (publ) (the "**Company**"). The Employee Stock Option Agreement shall, in addition to the terms and conditions reflecting the board’s full proposal for the employee stock option program, contain terms and condition regarding inter alia confidentiality and disputes.

The following allocation of employee stock options shall apply within each category respectively.

<b>Category</b>	<b>Maximum number of employees</b>	<b>Maximum number of stock options per employee</b>	<b>Maximum number of stock options within category</b>
<b>I</b>	12	6 000 000	14 500 000
<b>II</b>	6	3 000 000	8 000 000
<b>III</b>	30	750 000	12 700 000
<b>IV</b>	15	500 000	4 800 000

Further, the board shall be authorized to adjust the terms and conditions for the employee stock option program given that the adjustment of the terms and conditions do not conflict with the regulations as set out in chapter 16, the Swedish Companies Act.

## **TERMS AND CONDITIONS FOR THE EMPLOYEE STOCK OPTIONS**

The employee stock options will be issued in the following tranches:

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2018 up to and including July 15, 2018 (“**Tranch 1**”) for a price of 3,00 NOK/share.

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2019 up to and including July 15, 2019 (“**Tranch 2**”) for a price of 3,20 NOK/share.

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2020 up to and including July 15, 2020 (“**Tranch 3**”) for a price of 3,50 NOK/share.

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2021 up to and including July 15, 2021 (“**Tranch 4**”) for a price of 3,75 NOK/share.

All employee stock options, which are not due, may be exercised by the employee stock option holders if (i) a shareholder alone, or (ii) a shareholder who through an agreement with one or several other shareholder(s), controls more than 50 percent of all outstanding shares. The time period for exercising any outstanding employee stock options shall be 45 days as of the day when the Company make notice of such change of control.

The price as well as the number of shares that each employee stock option give the holder the right to acquire, can be subject to re-calculation pursuant to the terms and conditions for the warrants linked to this Employee Stock Option Program (according to the proposal in item 17a) following from fund issue, split, pre-emption right issue and similar measures.

Additional terms and conditions for the Employee Stock Option Holders' right to acquire shares pursuant to the above are set out in the Employee Stock Option Agreement.

## **TERM AND EXPIRATION DATE**

The employee stock options pursuant to above are valid from the issuing up to and including July 15, 2021 with the right for the Employee Stock Option Holders' to call for the stock options pursuant to the above.

The employee stock options are non-transferable. The right of delivery of shares after the call, presupposes that the current Employee Stock Option Holder's employment in companies within the Axactor group persists on the day of allocation of the employee stock options.

## **THE BOARD'S MOTIVATION TO THE PROGRAM**

The Board's motive of the above mentioned Employee Stock Option Program is that a personal long term owner engagement among the employees is expected to stimulate an increase of interest for the business and the performance development, strengthen the motivation and the feeling of togetherness with the Axactor group and its shareholders. Thus, the Board assesses that the offer is profitable for the Company and its shareholders.

## **COSTS**

In case of a positive share price development, the Employee Stock Option Program entail costs in form of social security contributions in connection with that the options are used for subscription of shares, which will be recognized as expenses when they are incurred. Based upon an assumed share price which exceeds the respective strike price with 25 per cent and a preliminary allocation of the employee stock options per country for taxation, the social security contributions amounts to approximately NOK 6 075 000.

In addition, there will be costs pursuant to the accounting recommendation IFRS2. This cost is estimated to a total amount of NOK 12 920 000, which will be divided during the vesting period of the stock options.

Besides from the above, minor costs in relation to the adoption of the program by help of an external consultant, will arise.

## **DELIVERY OF SHARES UPON CALL**

To assure that the Company can fulfill its commitment to deliver shares after exercise of the employee stock option by the Employee Option Holders, the Board proposes that the Annual General Meeting shall issue warrants and authorize the Board to acquire own shares. Delivery of shares shall be made through transfer of warrants from a wholly owned subsidiary, which thereafter can be exercised for subscription of shares in the Company, or through transfer of re-acquired own shares.

The Board shall also have the right to, fully or partly, regulate the Company's commitments to the Employee Stock Option Holders pursuant to Employee Stock Option Program A:2017 through cash payment, which shall amount to the difference between the strike price per share pursuant to each warrant and the intra-day volume-weighted average share price as per the day of the exercise of the current stock option.

*For a resolution, pursuant to the above, to be valid, the proposal shall be supported by shareholders represented by minimum nine tenths (9/10) of the votes as well as the shares represented at the annual general meeting.*

## ITEM 16 – THE BOARD’S FULL PROPOSAL TO EMPLOYEE STOCK OPTION PROGRAM B:2017

The board proposes that the annual general meeting decides to adopt the following employee stock option program.

The employee stock options are gratuitous and shall be allocated to certain employees in companies within the Axactor group pursuant to below (the "**Employee Option Holders**").

The total number of employee stock options that may be issued is maximum 15,000,000. There will be two categories of participants in the employee stock option program, see below. The Board’s distribution of employee stock options within each category respectively shall be differentiated with reference to position, responsibilities and performance within the group.

**Category I**                New managing employees on country level (introduced through acquisition of new legal entities)

**Category II**             New managing employees on country level (introduced through new employment)

To be entitled employee stock options, each Employee Option Holder shall in connection to receiving employee stock options enter into a separate Employee Stock Option Agreement (the "**Employee Stock Option Agreement**") with Axactor AB (publ) (the "**Company**"). The Employee Stock Option Agreement shall, in addition to the terms and conditions reflecting the board’s full proposal for the employee stock option program, contain terms and condition regarding inter alia confidentiality and disputes.

The following allocation of employee stock options shall apply within each category respectively.

Category	Maximum number of employees	Maximum number of stock options per employee	Maximum number of stock options within category
I	9	1 000 000	9 000 000
II	7	1 000 000	6 000 000

Further, the board shall be authorized to adjust the terms and conditions for the employee stock option program given that the adjustment of the terms and conditions do not conflict with the regulations as set out in chapter 16, the Swedish Companies Act.

### TERMS AND CONDITIONS FOR THE EMPLOYEE STOCK OPTIONS

The employee stock options will be issued in the following tranches:

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2018 up to and including July 15, 2018 ("**Tranch 1**") for a price of 3,00 NOK/share.

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2019 up to and including July 15, 2019 ("**Tranch 2**") for a price of 3,20 NOK/share.

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2020 up to and including July 15, 2020 (“**Tranch 3**”) for a price of 3,50 NOK/share.

25 % of the stock options can be exercised to acquire shares in the Company as from June 1, 2021 up to and including July 15, 2021 (“**Tranch 4**”) for a price of 3,75 NOK/share.

All employee stock options, which are not due, may be exercised by the employee stock option holders if (i) a shareholder alone, or (ii) a shareholder who through an agreement with one or several other shareholder(s), controls more than 50 percent of all outstanding shares. The time period for exercising any outstanding employee stock options shall be 45 days as of the day when the Company make notice of such change of control.

The price as well as the number of shares that each employee stock option give the holder the right to acquire, can be subject to re-calculation pursuant to the terms and conditions for the warrants linked to this Employee Stock Option Program (according to the proposal in item 17b) following from fund issue, split, pre-emption right issue and similar measures.

Additional terms and conditions for the Employee Stock Option Holders’ right to acquire shares pursuant to the above are set out in the Employee Stock Option Agreement.

#### **TERM AND EXPIRATION DATE**

The employee stock options pursuant to above are valid from the issuing up to and including July 15, 2021 with the right for the Employee Stock Option Holders’ to call for the stock options pursuant to the above.

The employee stock options are non-transferable. The right of delivery of shares after the call, presupposes that the current Employee Stock Option Holder’s employment in companies within the Axactor group persists on the day of allocation of the employee stock options.

#### **THE BOARD’S MOTIVATION TO THE PROGRAM**

The Board’s motive of the above mentioned Employee Stock Option Program is that a personal long term owner engagement among the employees is expected to stimulate an increase of interest for the business and the performance development, strengthen the motivation and the feeling of togetherness with the Axactor group and its shareholders. Thus, the Board assesses that the offer is profitable for the Company and its shareholders.

#### **COSTS**

In case of a positive share price development, the Employee Stock Option Program entail costs in form of social security contributions in connection with that the options are used for subscription of shares, which will be recognized as expenses when they are incurred. Based upon an assumed share price which exceeds the respective strike price with 25 per cent and a preliminary allocation of the employee stock options per country for taxation, the social security contributions amounts to approximately NOK 2 280 000.

In addition, there will be costs pursuant to the accounting recommendation IFRS2. This cost is estimated to a total amount of NOK 4 840 000, which will be divided during the vesting period of the stock options.

Besides from the above, minor costs in relation to the adoption of the program by help of an external consultant, will arise.

#### **DELIVERY OF SHARES UPON CALL**

To assure that the Company can fulfill its commitment to deliver shares after exercise of the employee stock option by the Employee Option Holders, the Board proposes that the Annual General Meeting shall issue warrants and authorize the Board to acquire own shares. Delivery of shares shall be made through transfer of warrants from a wholly owned subsidiary, which thereafter can be exercised for subscription of shares in the Company, or through transfer of re-acquired own shares.

The Board shall also have the right to, fully or partly, regulate the Company's commitments to the Employee Stock Option Holders pursuant to Employee Stock Option Program B:2017 through cash payment, which shall amount to the difference between the strike price per share pursuant to each warrant and the intra-day volume-weighted average share price as per the day of the exercise of the current stock option.

*For a resolution, pursuant to the above, to be valid, the proposal shall be supported by shareholders represented by minimum nine tenths (9/10) of the votes as well as the shares represented at the annual general meeting.*

**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

**ITEM 17 (a) – THE BOARD OF DIRECTORS’ PROPOSAL FOR WARRANTS WITHIN THE FRAME OF THE EMPLOYEE STOCK OPTION PROGRAM A:2017 AND FOR APPROVAL OF THE SUBSIDIARY’S SALE ACCORDING TO CHAPTER 16, SECTION 4, PARAGRAPH 2, THE SWEDISH COMPANIES ACT**

**NUMBER OF WARRANTS**

Axactor AB (publ) (the "**Company**") shall without consideration issue maximum 40,000,000 warrants divided in four series. Series 1A:2017 with maximum 10,000,000 warrants, series 2A:2017 with maximum 10,000,000 warrants, series 3A:2017 with maximum 10,000,000 warrants and series 4A:2017 with maximum 10,000,000 warrants.

**RIGHT TO SUBSCRIPTION FOR WARRANTS**

The right to subscribe for warrants, with deviation from the shareholders’ pre-emption right, belong to the wholly owned subsidiary Axactor Incentive AB, reg.nr 559031-2608 (the "**Subsidiary**"), with right and obligation for the Subsidiary to after the subscription, after the Participants claim for the usage of the Company’s issued employee stock options in accordance with the proposal above, on behalf of the Company fulfill the obligation to deliver through a sale of the warrants. Warrants not subscribed with pre-emption right in accordance with the above shall not be issued, i.e. no subsidiary right to subscribe for warrants apply.

**SUBSCRIPTION FOR WARRANTS**

The Subsidiary’s subscription of the warrants shall be made no later than June 16, 2017. Subscription shall be made in a separate list of warrants.

**SUBSCRIPTION FOR SHARES**

Each warrant gives the holder a right to subscribe one (1) share in the Company, each and every one with a quota value of EUR 0,05234.

Subscription of shares with support of the warrants can take place under the period from June 1, 2018 until December 31, 2021.

Shares subscribed with support of the warrants entitles to dividend from the record day for dividends that falls nearest after the acquired shares have been noted in the Company’s share register as interim shares by registration at Euroclear Sweden AB.

**SUBSCRIPTION PRICE**

Each warrant in series 1A:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.00 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

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Each warrant in series 2A:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.20 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

Each warrant in series 3A:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.50 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

Each warrant in series 4A:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.75 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

## **DILUTION**

At full usage of the warrants in the series mentioned above the Company's share capital may increase with the amounts set forth below:

Series 1A:2017      EUR 523,423.19

Series 2A:2017      EUR 523,423.19

Series 3A:2017      EUR 523,423.19

Series 4A:2017      EUR 523,423.19

The Company's share capital may, at full usage of the warrants in all series, increase with a total of EUR 2,093,692.75. The dilution, if are warrants are converted into shares, will be approximately 3.1 percent estimated on the amount of outstanding shares and votes on the date of this notice, including outstanding warrants.

## **REASONS FOR THE DEVIATION FROM THE SHAREHOLDERS' PRE-EMPTION RIGHT**

The reason for the deviation from the shareholders' right of pre-emption, is to secure fulfillment of the Company's commitments pursuant to the Employee Stock Option Program A:2017 described above.

## **OTHER TERMS AND CONDITIONS**

Other terms and conditions for the warrants is stated in Terms and conditions for warrants 1A:2017, 2A:2017, 3A:2017 and 4A:2017 regarding subscription for new shares in Axactor AB (publ), see **Schedule 1 ("Terms and Conditions Schedule")**. Notwithstanding what is stated in section 14.1 in the Terms and Conditions Schedule, the Company is always entitled to adjust the terms and conditions for the warrants, subject to the Option Holder's approval.

The number of shares that may be subject to a transfer according the above may be subject to a recalculation following from bonus issue, split, pre-emption right issue, dividend and similar measures.

Since the Subsidiary will transfer the warrants to Employee Stock Option Holders for the fulfilling of the Employee Stock Option Program A:2017, approval of the transfer is required in accordance with chapter 16, section 4, paragraph 2, the Swedish Companies Act. Thus, the Board proposes that the Annual



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General Meeting approves the Subsidiary's transfers of warrants within the frame of the Employee Stock Option Program described above.

The resolution to issue the warrants pursuant to this item 17(a) is conditioned by the Annual General Meeting's approval of the proposal of the new Employee Stock Option Program A:2017 pursuant to item 16 in the notice to the Annual General Meeting.

*For a resolution, pursuant to this item, to be valid, the proposal shall be supported by shareholders represented by minimum nine tenths (9/10) of the votes as well as the shares represented at the Annual General Meeting.*

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## Schedule 1

### TERMS FOR WARRANTS REGARDING SUBSCRIPTION OF NEW SHARES IN AXACTOR AB (PUBL), REG. NO 556227-8043, SERIES 1A:2017, 2A:2017, 3A:2017 AND 4A:2017.

#### DEFINITIONS

In these terms and conditions, the following terms, inflections and derivations shall have the meanings as set out below.

##### **"Share"**

A share in the Company.

##### **"Share value"**

If the shares are subject to trade on a regulated market or on a trading platform: The average share rate; or if this is not the case, the productive value (Sw: *Avkastningsvärde*) as determined by a Valuation institute.

##### **"The Average Price of the Share"**

The Average Price of the Share refers to the volume-weighted average value of the quoted highest and lowest settled price (Sw: *betalkurs*) paid on each trading day during (i) current warrant- and offer period by calculation pursuant to 7.4 and 7.6 respectively, and (ii) a 25-day period starting from the first trading day when the share was quoted, without right to reimbursement by calculation pursuant to 7.8.

In the event that no settled price is quoted, the bid price (Sw: *köpkurs*) that is quoted as the closing price (Sw: *slutkurs*) shall instead form the basis for the calculation. Days for which neither a settled price nor a bid price can be given, shall not be included in the calculation.

If neither a settled price nor a bid price have been quoted during at least half of the exchange days of the above mentioned time periods, the Average Price of the Share shall be deemed as the Share Value pursuant to what would have been the case if the Shares would have been subject to trade on a regulated market or a trading platform.

##### **"Central Securities Depository Company"**

Limited liability company, which in its Articles of Association has reservations regarding that the Company's shares shall be registered in a central securities depository register pursuant to the Financial Instruments Accounts Act (1998:1479).

##### **"Central Securities Depository Account"**

A Central Securities Depository account at a central securities depository according to the Financial Instruments Accounts Act (1998:1479).

##### **"Banking day"**

A day which is not a Sunday or any other public holiday in Sweden or regarding payment of promissory notes is not to be considered as a public holiday in Sweden.

##### **"Company"**

Axactor AB (publ), reg. no. 556227-8043.

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**"Euroclear"**

Euroclear Sweden AB, the central securities depository in Sweden.

**"Institution Maintaining a Holder's Account"**

A bank or other with permission to be an institution maintaining holder's accounts pursuant to the Financial Instruments Accounts Act (1998:1479).

**"Companies that are not Central Securities Depository Companies"**

Limited liability companies that are not Central Securities Depository Companies.

**"Option Certificate"**

A certificate representing a number of warrants of new subscription of a Share in the Company and that has been issued to a certain person or order.

**"Option Holder"**

Holder of a right (a warrant) to Subscription of a Share.

**"Warrant"**

The right to subscribe for new Shares in exchange for payment in cash, pursuant to these terms and conditions.

**"Subscription"**

A subscription of new Shares as referred to in Chapter 14, the Swedish Companies Act (2005:551).

**"Subscription price"**

The price to which a Subscription of new Shares can be made, determined pursuant to these terms and conditions.

**"Subscription Period"**

The time from June 1, 2018 until December 31, 2021.

**"Valuation Institute"**

An independent valuation Institute.

**1 WARRANTS, OPTION CERTIFICATE, REGISTRATION ETC.**

- 1.1 The number of Warrants amounts to maximum 40,000,000 warrants divided in four series. Series 1A:2017 with maximum 10,000,000 warrants, Series 2A:2017 with maximum 10,000,000 warrants, Series 3A:2017 with maximum 10,000,000 warrants and Series 4A:2017 with maximum 10,000,000 warrants.
- 1.2 Warrants are bound to and are represented by a Warrant Certificate. Warrant Certificates are issued to a certain person or order. Warrant Certificate can be submitted to the Company for exchange to other values.
- 1.3 If the Company is a Central Securities Depository Company, the Warrants can be registered on the Holder's behalf on a Central Securities Depository Account in accordance with the Financial Instruments Accounts Act (1998:1479). If Warrants are registered on a Central Securities Depository account, Warrant Certificates will not be issued.

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1.4 Registrations regarding the Warrants, as a result of undertakings according to these terms, are handled by the Company or in some cases by an Institution Maintaining a Holder's Account.

1.5 The Company undertakes to make sure that Holders are entitled to subscribe for Shares in the Company upon cash payment under the terms and conditions set forth below.

## **2 RIGHT TO SUBSCRIPTION OF NEW SHARES**

2.1 The Holder is during the Period of Subscription, for each Warrant, entitled to call for Subscription of one (1) new Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 1A:2017 is NOK 3.00 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment, however not below the quota value of a Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 2A:2017 is NOK 3.20 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment however not below the quota value of a Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 3A:2017 is NOK 3.50 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment, however not below the quota value of a Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 4A:2017 is NOK 3.75 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment, however not below the quota value of a Share in the Company.

2.2 Recalculation of the Price for Subscription, as well as number of new Shares which each Warrant entitles Subscription to, may be carried out as set forth in section 7. Recalculation shall however never lead to the Price for Subscription will be below the quota value of the Share. The undertaking by the Company not to take a course of action that would cause a need to such a recalculation is set forth in section 9. In section 7 it is also set forth that the Right to Subscription may occur prior to the Period of Subscription.

2.3 If Subscription is not exercised within the Period of Subscription, or any other period that follows by application of section 7, all the rights of the Holder according to the Warrants come to maturity.

2.4 Subscription can only be made for the total amount of Shares entitled to by each Warrant.

2.5 The Company is obligated to, if the Holder so requests during the Period of Subscription or any other period that follows by application of section 7, issue to the Holder, the amount of Shares as referred to in the notification of Subscription.

## **3 NOTIFICATION OF SUBSCRIPTION**

3.1 In order for any Subscription to be executed, the Holder shall submit to the Company a notification in the form of a message in accordance with section 8, indicating the amount of Warrants that is to be used together with a Subscription Certificate that represents at a

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minimum the amount of Warrants the notification refers to. Subscription can be made regarding all or some of the Shares that can be subject to Subscription based on the Warrants represented by the submitted Subscription Certificate.

3.2 If the Company is a Central Securities Depository Company and if the Warrants have been registered on a securities account, shall, on request for Subscription, for registration purposes, a form, the contents which has been set, be provided to the Company, or where applicable, to an Institution Maintaining a Holder's Account.

3.3 Notifications of Subscription are binding and cannot be revoked by the Holder.

#### **4 PAYMENT**

Payment shall be made at the time of the notification of Subscription for the amount of Shares this notification refers to by a deposit on an account assigned by the Company.

#### **5 RECORDED IN THE SHARE REGISTER ETC.**

5.1 In Companies that are not Central Securities Depository Companies, the new Shares shall be recorded in the Company's share register and be notified to the Swedish Companies Registration Office immediately after Subscription, payment and allocation of Shares have been executed. Share certificates shall not be issued before the registration with the Swedish Companies Registration Office has been made.

5.2 In Central Securities Depository Companies, the new Shares shall be recorded in the Company's share register and in the Holder's Central Securities Depository Account as interim shares immediately after the notification of Subscription, payment and allocation of Shares have been executed. Following registration with the Swedish Companies Registration Office, the registration of the share accounts or in the share register will be final.

5.3 Subscription of Shares with support of the Warrants is subject to potential reservations regarding conversion, consent, pre-emption and redemption in the Company's Articles of Association.

#### **6 DIVIDENDS IN RESPECT OF NEW SHARES**

6.1 In Companies that are not Central Securities Depository Companies, the new Shares entitle to dividends with regard to dividend resolved following the day of entering the Shares in the Share register.

6.2 In Central Securities Depository Companies, Shares which are newly issued following Subscription shall carry an entitlement to participate in dividends for the first time on the next record date for dividends which occurs after the Shares have been entered in the Company's share register as interim shares through Euroclear.

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## **7 RECALCULATION BY NEW ISSUE ETC.**

7.1 With regard to the rights of the Option Holder in the situations described below, the terms and conditions as set out in this section 7 apply for each situation respectively. The term "Execution of warrant" as mentioned in these terms and conditions, refers to, regarding Central Securities Depository companies, that the newly issued shares have been recorded in the Company's share register as interim shares.

7.2 If the Company executes a bonus issue of Shares, Subscription, pursuant to section 2 that is called on such time meaning it cannot be executed prior to the Annual General Meeting that decides on such bonus issue, shall be made first after that the Annual General Meeting has made such decision. Share, that is issued due to a Subscription executed after the decision about bonus issue, does not have the right to participate in the issue.

As by Subscription pursuant to chapter 2 that is executed on such time that no right to participate in the bonus issue apply for the Option Holder, a recalculated Subscription price apply as well as a recalculation of the number of shares that each warrant entitles Subscription to. The Recalculations are made by the Company pursuant to following the formula:

Recalculated Subscription price =  $\frac{\text{previous Subscription price} \times \text{number of Shares prior to bonus issue}}{\text{number of Shares after the bonus issue}}$

recalculated number of Shares that each warrant entitles Subscription to =  $\frac{\text{previous number of shares that each warrant entitles Subscription to} \times \text{number of Shares after bonus issue}}{\text{number of Shares prior to bonus issue}}$

Subscription may not take place during the time from the decision to issue until the day when the recalculated Subscription price and the recalculated number of Shares that each warrant entitles Subscription to, have been determined pursuant to the above.

7.3 If the Company conducts *a reversed stock split or a division* of Shares, a corresponding recalculation as set out in 7.2 shall be made.

7.4 If the Company decides to issue new shares, with right to pre-emption for the shareholders to subscribe for Shares through cash-payment, the following shall apply:

If the decision to issue is made by the Board and conditioned by the General Meeting's approval or the authorization by the General Meeting, the decision shall state the last day for Subscription to be executed in order for a Share to contain the right to participate in the issue. Such day may not fall earlier than the tenth calendar day after the decision.

If the decision to issue is made by the General Meeting, the Subscription shall, if called on such time that the Subscription cannot be executed prior to the General Meeting that decides on the issue, be executed first from that the Company has executed a recalculation pursuant to this section. A Share that has been issued because of such Subscription does not contain a right to participate in the issue.

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Subscription that takes place at such time that no right to participate in the issue apply for the Option Holder, a recalculated Subscription price as well as recalculation of the number of Shares that each warrant entitles to shall apply. The recalculations are made by the Company pursuant to the following formula:

recalculated Subscription price =  $\frac{\text{previous Subscription price} \times \text{Share value}}{\text{Share value increased by the theoretical value of the subscription right}}$

recalculated number of Shares that each warrant entitles to Subscription for =  $\frac{\text{previous number of Shares that each warrant entitles to Subscription for} \times (\text{Share value increased by the theoretical value of the subscription right})}{\text{Share value}}$

The theoretical value of the subscription right shall be calculated pursuant to the following formula:

The subscription right's new theoretical value =  $\frac{\text{The number of new Shares that as a maximum can be issued pursuant to the issue decision} \times (\text{Share Value} - \text{issue rate for that share})}{\text{Number of Shares before the issue decision}}$

If the calculation results in a negative value, the theoretical value on the subscription right shall be determined to zero.

Recalculated Subscription price and number of Shares that each Warrant entitles to, is determined by the Company within two Banking days after the end of the period during which Subscription of new shares in the new issue has been possible.

Subscription may not take place during the time from the decision to issue up until the day when the recalculated Subscription price and the recalculated number of Shares that each Warrant entitles to, have been determined pursuant to the above.

- 7.5 If the Company carries out *an issue of convertible bonds or warrants* – in both cases with right to pre-emption for the shareholders to subscribe for cash payment – as by Subscription executed on such time that the no right follow for the holder to participate in the issue – recalculation shall be made. For the recalculation, the terms and conditions as set out in 7.4 above shall be applied correspondingly.
- 7.6 Would the Company in other cases than described in 7.2-7.5 above, offer all shareholders to, with the right to pre-emption pursuant to chapter 13, section 1, the Swedish Companies Act, from the Company acquire securities or rights of some sort or to decide on, pursuant to above mentioned principles, to the shareholders divide such securities or rights gratuitously, by Subscription pursuant to chapter 2 that are executed on such time that no right to participate in the offer apply for the Option Holder, a recalculated Subscription Price apply and a recalculated

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number of Shares that each warrant entitles to. The recalculation is made by the Company pursuant to the following formula:

recalculated Subscription price = previous Subscription price x  
Share value  
Share value increased by the value of the right to participate in the offer, i.e. the value of the pre-emptive right

recalculated number of Shares that each warrant entitles to Subscription for = previous number of Shares that each warrant entitles to Subscription for x  
(The Share value increased by the value of the right to participate in the offer, i.e. the value of the pre-emptive right)  
Share value

If the Shareholders have obtained purchase rights and trade with these have occurred, the value of the right to participate in the offer shall correspond to the value of the purchase right. The value of the pre-emptive right shall be deemed to correspond with the average value of all trading days during the relevant subscription period, where each trading day's value is calculated as the average of the quoted highest and lowest pay rate for the pre-emptive right. In the absence of such pay rate for a certain day, the final rate quoted as offered purchase price shall apply in the calculation. For a day with no quotation registered of neither pay rate nor offered purchase price shall be excluded from the calculation.

If the shareholders have not obtained pre-emptive rights or if trade with pre-emptive rights has not occurred, the recalculation of the Subscription price as well as the number of Shares that each warrant entitles to, the provisions as set out in this section shall apply as far as possible.

Recalculated Subscription price and number of Shares that each warrant entitles to, is determined by the Company two Banking days after the expiration of the subscription period or the offer period.

Subscription may not take place during the time from the decision to offer to the day when the recalculated Subscription price and the recalculated number of Shares that each warrant entitles to, have been determined pursuant to the above.

7.7 If the Company decides on *cash dividends* to all Shareholders and Subscription is called for by such time that a there through obtained Share, contain no right to obtain such dividend, a recalculated Subscription price apply. The recalculation is based on the whole dividend starting from the first krona. The recalculation is made by the Company pursuant to the following formula:

recalculated Subscription price = previous Subscription price decreased by  
dividend as paid by Share



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The provisions in this section 7.7 regarding recalculation as by dividends, refers to common shares only. Dividends regarding preference shares do not bring forth recalculation of the Subscription price.

If the Company obtains *unconditional shareholder contribution*, the Subscription price shall be recalculated with this in consideration. The recalculation is carried out by the Company pursuant to the following formula:

recalculated Subscription price = 
$$\text{previous Subscription Price} + \text{contribution per Share} \times (1 + \text{by each time current STIBOR 360 days} \times (1 - \text{current corporate income tax level})) \times \text{number of years since the contribution}$$

Besides this, what has been stated above regarding dividends shall apply correspondingly.

7.8 If the Company's share capital is reduced, together with a repayment to the shareholders, shall, in the case of Subscription pursuant to section 2 which is called for by such time that a right to reimbursement does not arise, a recalculated Subscription price be applied as well as a recalculation of the number of Shares that each Warrant entitles to. The recalculation is carried out pursuant to the following formulas:

recalculated Subscription price = 
$$\frac{\text{previous Subscription Price} \times \text{Share Value}}{\text{Share Value increased by the amount which is to be repaid per Share}}$$

recalculated number of Shares which each Warrant entitles Subscription of = 
$$\frac{\text{previous number of Shares which each Warrant has entitled Subscription of} \times (\text{Share Value increased by the amount which is to be repaid per Share})}{\text{Share Value}}$$

Subscription price and the recalculated number of Shares that each Warrant entitles to, shall be determined two Banking days after the expiry of the period of 25 days stipulated under the definitions section above. During the period following the resolution to reduce the share capital, or, if the Company is a Central Securities Depository Company, from the record date for the repayment, until recalculation of Subscription Price as well as recalculation of the number of Shares which each Warrant entitles to has occurred, Subscription may not be carried out. During the period following the resolution to reduce the share capital, or, if the Company is a Central Securities Depository Company, from the record date for the repayment, until recalculation has occurred, Subscription may not be carried out.

The provisions in this section 7.8 concerning recalculation following the reduction of the share capital with repayment do not apply to preferred stock which in accordance to a proviso in the articles of association are redeemable.

7.9 In making a recalculation of the Subscription Price and the number of Shares which each Warrant entitles to pursuant to the above, the values shall be rounded off to two decimals, at which five parts per thousand and above shall be rounded off upwards.

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7.10 Should the Company adopt a *merger plan* in accordance with Chapter 23, section 6 of the Swedish Companies Act whereby the Company is to be merged in another company, or should the board of directors in accordance with Chapter 23, section 28 of the Swedish Companies Act resolve that the Company is to be merged into its parent company, the Option Holder shall receive equivalent rights in the absorbing company as in the Company (the absorbed company), if the Option Holder does not have a right according to the merger plan to have its Warrants redeemed by the absorbing company.

7.11 The terms in 7.10 shall also be applied if the Company adopts a demerger plan in accordance with Chapter 24, section 8 of the Swedish Companies Act whereby the Company shall be demerged into two or several companies, whereupon what is provided in that section regarding the absorbing company shall also apply to the absorbing companies.

7.12 Should the Shares in the Company be subject to mandatory redemption in accordance with Chapter 22 of the Companies Act, the Company shall, in case a request for Subscription would occur later than 30 days following the day a request for mandatory redemption was publicly announced, set a new final date for making a request for Subscription, which shall occur not later than 30 days from the date a request for mandatory redemption was publicly announced. A notice hereof to the Option Holders in accordance with Chapter 8 shall be made forthwith.

The provisions in this Section 7.12 do not effect the Option Holders' rights to request redemption of the Warrants in accordance with Chapter 22, section 26 of the Companies Act.

7.13 In the event of liquidation, irrespectively the reasons for the liquidation, no further Subscription may be requested. The right to Subscribe ceases as a result of the resolution regarding liquidation, irrespectively of whether it has not come into force.

No later than four weeks prior to the general meeting's resolving upon whether the Company shall go into liquidation according with Chapter 25, section 1 of the Companies Act, the Option Holders shall, by written notice according with Chapter 8 below, be informed of the intended liquidation. The notice shall contain a reminder that Subscription may not take place following the general meeting's resolution to liquidate.

In event of liquidation on other grounds than according with Chapter 25, section 1 of the Companies Act, notification according to the second paragraph above to the Option Holders shall be made as soon as the Company has gained knowledge that a case is pending regarding the liquidation of the Company.

Should the Company issue a notification on a forthcoming liquidation according to the above, the Option Holders shall – irrespectively of what is otherwise applicable with regard to the right to Subscription according to Chapter 2 above – be entitled to request Subscription from the day which the Company has dispatched such a notice. If the issue of the Company's liquidation shall be resolved at a general meeting, Subscription may be requested only if it can be executed prior to the general meeting at which the issue of the Company's liquidation shall be resolved. What has been stipulated above in this paragraph shall not apply with regard to liquidation other than pursuant to Chapter 25, section 1 of the Companies Act if grounds for liquidation are apparently not at hand.

7.14 Irrespective of 7.10-7.13 – where it is stipulated that Subscription may not be executed following a resolution on merger, demerger, mandatory redemption, or liquidation – the right to

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Subscription shall reoccur if the liquidation ceases or the matter of merger, demerger, or mandatory redemption expires.

- 7.15 On bankruptcy of the Company, Subscription may not be executed. However, if the court order on bankruptcy is overruled, Subscription may again take place.
- 7.16 If the Shares should cease to be subject to trading on a regulated market or a trading platform, the Option Holder has a right to, contrary to the stipulations in Chapter 2, use the Warrants for Subscription irrespective of that the Subscription Period has not yet started, at which the terms in 7.17 below shall apply.
- 7.17 If the ownership of the Company changes in a way that (i) a shareholder alone, or (ii) a shareholder who through an agreement with one or several other shareholder(s), is entitled to exercise more than 50 percent of all outstanding shares, the Option Holder has the right to Subscription up until forty-five (45) days following the issuing by the Company of a notice of such change of ownership (disclosure notice). Thereafter Subscription may not take place.
- 7.18 Should the Company undertake an action which gives rise to recalculation according to this Chapter 7, and if either party considers that the application of the recalculation formulae applicable thereto, due to the said action's technical formation or on any other basis, cannot be executed or would lead to a result apparently is unequitable, party has the right to defer the matter of recalculation to a Valuation Institute. The Valuation Institute shall thereafter, with binding effect on the parties, resolve whether recalculation shall be made, and, where applicable, recalculate the Subscription Price and/or the number of Shares which each Warrant entitles to Subscription of, in the manner which the Valuation Institute deems appropriate in order to reach a reasonable result to both parties.
- 7.19 The stipulations in Section 7.18 shall apply mutatis mutandis, should the Company undertake an action which does not cause a recalculation as per the above, if said action according to practices on the stock market gives rise to recalculation and if not making such recalculation would lead to a result which apparently is unreasonable. The Valuation Institute shall then, with binding effect to both parties, resolve on whether recalculation shall be carried out, and, where applicable, conduct a recalculation, at which prevailing practices for recalculation shall be applied.

## **8 NOTICES, ET CETERA**

- 8.1 Notices exchanged between the Option Holder and the Company regarding the Warrants shall be made in writing and be sent by mail, to the extent stipulations to the contrary is not provided in these terms.
- 8.2 Notices to the Option Holder shall be sent to the address of the Option Holder last stated to the Company. Notices to the Company shall be sent to the mailing address which was last registered by the Swedish Companies Registration Office. The Option Holder shall forthwith notify the Company of any change of mailing address, as provided in Section 8.1.
- 8.3 Notices sent to a recipient at the address which follows from Section 8.2 shall, unless otherwise indicated, be considered to have been received by the recipient on the third Banking day following the dispatch.

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## **9 SPECIFIC UNDERTAKING BY THE COMPANY**

The Company undertakes to desist from taking any action which in the recalculation in accordance with Section 7 would cause the Subscription price to be set to an amount below the Share's quota value.

## **10 CUSTODIAN**

A person who has been granted permission in accordance with Chapter 5, section 15 of the Swedish Companies Act to, in the place of a shareholder, be entered into the Company's share register, has the right to be registered as holder. For the purpose of these terms, such a custodian shall be considered as Option Holder.

## **11 INVALIDITY**

Should any provision in these terms be invalid, this shall not cause the terms in their entirety to be rendered invalid. In such case, provided that the invalidity materially affects a party's consideration or performance of the terms, an equitable adjustment of the terms shall be made.

## **12 TAXES, FEES, AND BROKERAGE**

The Option Holder shall pay all taxes or fees which may arise on account of assignment, holding or use of Warrant or any other similar dispositions due to Swedish or foreign laws or the resolution by any Swedish or foreign governmental agency. Any brokerage in connection with assignment of Shares on the basis of the Warrants shall be borne by the Option Holder.

## **13 FORCE MAJEURE, ET CETERA**

13.1 With regard to actions resting on the Company under these terms, the Company shall not be liable for damage caused by the stipulations of law, actions by a governmental agency, event of war, strike, lockout, boycott, blockade or any similar event. The exception with regard to strikes, lockout, boycott or blockade shall apply even if the Company itself takes such action or is subject to such act of conflict.

13.2 The Company is not liable for damage which the Option Holder suffers provided that the Company has acted with normal care. The Company shall in no event be liable for indirect damage.

13.3 If due to an event mentioned in Section 13.1 above the Company is hindered to take action as directed in these terms, such actions may be postponed until the hindrance has ceased.

13.4 The terms in Section 13 shall apply also in the case that Euroclear, an Institution Maintaining a Holder's Account, or any other, on behalf of the Company undertakes such action which under these terms rests on the Company, however considering the stipulations of the Financial Instruments Accounts Act (1998:1479).

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**14 CHANGE OF TERMS**

The Company has the right to adjust these terms to the extent change in legislation, court verdict or due resolution by a governmental agency so require, or if it in the view of the Company for practical reasons is appropriate or necessary and it is not materially detrimental to the Option Holder's rights.

**15 TERMS ON INFORMATION AND LOJALITY, ET CETERA**

15.1 The Company has the right to acquire information about the Option Holder from Euroclear or any other central securities depository.

15.2 A party shall forthwith inform the counterparty of any event or circumstance which may affect such party's ability to perform its obligations under these terms.

15.3 A party shall act loyally in relation to the counterparty and in the best manner act for the purpose of fulfilment of these terms.

**16 APPLICABLE LAW, ET CETERA**

16.1 These terms shall be interpreted and applied in accordance with Swedish law. In the interpretation and application of the terms customs and practices in the stock market shall be considered. Disputes arising from these terms, or any other legal relationship attributable thereto shall be resolved by the Stockholm district court. However, if a party wishes that a dispute shall be resolved under the Arbitration Act that party is entitled thereto provided that, firstly, that party undertakes sole liability for all costs connected to the arbitration procedure, and, secondly, put up any collateral which the arbitral tribunal may require.

16.2 The arbitration procedure shall take place in Stockholm. The procedure shall be carried out in Swedish.

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**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

## **ITEM 17 (b) – THE BOARD OF DIRECTORS’ PROPOSAL FOR WARRANTS WITHIN THE FRAME OF THE EMPLOYEE STOCK OPTION PROGRAM B:2017 AND FOR APPROVAL OF THE SUBSIDIARY’S SALE ACCORDING TO CHAPTER 16, SECTION 4, PARAGRAPH 2, THE SWEDISH COMPANIES ACT**

### **NUMBER OF WARRANTS**

Axactor AB (publ) (the "**Company**") shall without consideration issue maximum 15,000,000 warrants divided in four series. Series 1B:2017 with maximum 3,750,000 warrants, series 2B:2017 with maximum 3,750,000 warrants, series 3B:2017 with maximum 3,750,000 warrants and series 4B:2017 with maximum 3,750,000 warrants.

### **RIGHT TO SUBSCRIPTION FOR WARRANTS**

The right to subscribe for warrants, with deviation from the shareholders’ pre-emption right, belong to the wholly owned subsidiary Axactor Incentive AB, reg.nr 559031-2608 (the "**Subsidiary**"), with right and obligation for the Subsidiary to after the subscription, after the Participants claim for the usage of the Company’s issued employee stock options in accordance with the proposal above, on behalf of the Company fulfill the obligation to deliver through a sale of the warrants. Warrants not subscribed with pre-emption right in accordance with the above shall not be issued, i.e. no subsidiary right to subscribe for warrants apply.

### **SUBSCRIPTION FOR WARRANTS**

The Subsidiary’s subscription of the warrants shall be made no later than June 16, 2017. Subscription shall be made in a separate list of warrants.

### **SUBSCRIPTION FOR SHARES**

Each warrant gives the holder a right to subscribe one (1) share in the Company, each and every one with a quota value of EUR 0,05234.

Subscription of shares with support of the warrants can take place under the period from June 1, 2018 until December 31, 2021.

Shares subscribed with support of the warrants entitles to dividend from the record day for dividends that falls nearest after the acquired shares have been noted in the Company’s share register as interim shares by registration at Euroclear Sweden AB.

### **SUBSCRIPTION PRICE**

Each warrant in series 1B:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.00 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

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Each warrant in series 2B:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.20 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

Each warrant in series 3B:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.50 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

Each warrant in series 4B:2017 gives the holder a right to subscribe for one (1) share in the Company to a subscription price amounting to NOK 3.75 or the equal amount in SEK or EUR pursuant to current price on the pay day, however not below the quota value of a share in the Company.

## **DILUTION**

At full usage of the warrants in the series mentioned above the Company's share capital may increase with the amounts set forth below:

Series 1B:2017      EUR 196,283.70

Series 2B:2017      EUR 196,283.70

Series 3B:2017      EUR 196,283.70

Series 4B:2017      EUR 196,283.70

The Company's share capital may, at full usage of the warrants in all series, increase with a total of EUR 785,134.78. The dilution, if are warrants are converted into shares, will be approximately 1.2 percent estimated on the amount of outstanding shares and votes on the date of this notice, including outstanding warrants.

## **REASONS FOR THE DEVIATION FROM THE SHAREHOLDERS' PRE-EMPTION RIGHT**

The reason for the deviation from the shareholders' right of pre-emption, is to secure fulfillment of the Company's commitments pursuant to the Employee Stock Option Program B:2017 described above.

## **OTHER TERMS AND CONDITIONS**

Other terms and conditions for the warrants is stated in Terms and conditions for warrants 1B:2017, 2B:2017, 3B:2017 and 4B:2017 regarding subscription for new shares in Axactor AB (publ), see **Schedule 1 ("Terms and Conditions Schedule")**. Notwithstanding what is stated in section 14.1 in the Terms and Conditions Schedule, the Company is always entitled to adjust the terms and conditions for the warrants, subject to the Option Holder's approval.

The number of shares that may be subject to a transfer according the above may be subject to a recalculation following from bonus issue, split, pre-emption right issue, dividend and similar measures.

Since the Subsidiary will transfer the warrants to Employee Stock Option Holders for the fulfilling of the Employee Stock Option Program B:2017, approval of the transfer is required in accordance with chapter 16, section 4, paragraph 2, the Swedish Companies Act. Thus, the Board proposes that the Annual

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General Meeting approves the Subsidiary's transfers of warrants within the frame of the Employee Stock Option Program described above.

The resolution to issue the warrants pursuant to this item 17(a) is conditioned by the Annual General Meeting's approval of the proposal of the new Employee Stock Option Program B:2017 pursuant to item 16 in the notice to the Annual General Meeting.

*For a resolution, pursuant to this item, to be valid, the proposal shall be supported by shareholders represented by minimum nine tenths (9/10) of the votes as well as the shares represented at the Annual General Meeting.*



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## Schedule 1

### TERMS FOR WARRANTS REGARDING SUBSCRIPTION OF NEW SHARES IN AXACTOR AB (PUBL), REG. NO 556227-8043, SERIES 1B:2017, 2B:2017, 3B:2017 AND 4B:2017.

#### DEFINITIONS

In these terms and conditions, the following terms, inflections and derivations shall have the meanings as set out below.

##### **"Share"**

A share in the Company.

##### **"Share value"**

If the shares are subject to trade on a regulated market or on a trading platform: The average share rate; or if this is not the case, the productive value (Sw: *Avkastningsvärde*) as determined by a Valuation institute.

##### **"The Average Price of the Share"**

The Average Price of the Share refers to the volume-weighted average value of the quoted highest and lowest settled price (Sw: *betalkurs*) paid on each trading day during (i) current warrant- and offer period by calculation pursuant to 7.4 and 7.6 respectively, and (ii) a 25-day period starting from the first trading day when the share was quoted, without right to reimbursement by calculation pursuant to 7.8.

In the event that no settled price is quoted, the bid price (Sw: *köpkurs*) that is quoted as the closing price (Sw: *slutkurs*) shall instead form the basis for the calculation. Days for which neither a settled price nor a bid price can be given, shall not be included in the calculation.

If neither a settled price nor a bid price have been quoted during at least half of the exchange days of the above mentioned time periods, the Average Price of the Share shall be deemed as the Share Value pursuant to what would have been the case if the Shares would have been subject to trade on a regulated market or a trading platform.

##### **"Central Securities Depository Company"**

Limited liability company, which in its Articles of Association has reservations regarding that the Company's shares shall be registered in a central securities depository register pursuant to the Financial Instruments Accounts Act (1998:1479).

##### **"Central Securities Depository Account"**

A Central Securities Depository account at a central securities depository according to the Financial Instruments Accounts Act (1998:1479).

##### **"Banking day"**

A day which is not a Sunday or any other public holiday in Sweden or regarding payment of promissory notes is not to be considered as a public holiday in Sweden.

##### **"Company"**

Axactor AB (publ), reg. no. 556227-8043.

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**"Euroclear"**

Euroclear Sweden AB, the central securities depository in Sweden.

**"Institution Maintaining a Holder's Account"**

A bank or other with permission to be an institution maintaining holder's accounts pursuant to the Financial Instruments Accounts Act (1998:1479).

**"Companies that are not Central Securities Depository Companies"**

Limited liability companies that are not Central Securities Depository Companies.

**"Option Certificate"**

A certificate representing a number of warrants of new subscription of a Share in the Company and that has been issued to a certain person or order.

**"Option Holder"**

Holder of a right (a warrant) to Subscription of a Share.

**"Warrant"**

The right to subscribe for new Shares in exchange for payment in cash, pursuant to these terms and conditions.

**"Subscription"**

A subscription of new Shares as referred to in Chapter 14, the Swedish Companies Act (2005:551).

**"Subscription price"**

The price to which a Subscription of new Shares can be made, determined pursuant to these terms and conditions.

**"Subscription Period"**

The time from June 1, 2018 until December 31, 2021.

**"Valuation Institute"**

An independent valuation Institute.

**1 WARRANTS, OPTION CERTIFICATE, REGISTRATION ETC.**

- 1.1 The number of Warrants amounts to maximum 15,000,000 warrants divided in four series. Series 1B:2017 with maximum 3,750,000 warrants, Series 2B:2017 with maximum 3,750,000 warrants, Series 3B:2017 with maximum 3,750,000 warrants and Series 4B:2017 with maximum 3,750,000 warrants.
- 1.2 Warrants are bound to and are represented by a Warrant Certificate. Warrant Certificates are issued to a certain person or order. Warrant Certificate can be submitted to the Company for exchange to other values.
- 1.3 If the Company is a Central Securities Depository Company, the Warrants can be registered on the Holder's behalf on a Central Securities Depository Account in accordance with the Financial Instruments Accounts Act (1998:1479). If Warrants are registered on a Central Securities Depository account, Warrant Certificates will not be issued.

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1.4 Registrations regarding the Warrants, as a result of undertakings according to these terms, are handled by the Company or in some cases by an Institution Maintaining a Holder's Account.

1.5 The Company undertakes to make sure that Holders are entitled to subscribe for Shares in the Company upon cash payment under the terms and conditions set forth below.

## **2 RIGHT TO SUBSCRIPTION OF NEW SHARES**

2.1 The Holder is during the Period of Subscription, for each Warrant, entitled to call for Subscription of one (1) new Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 1B:2017 is NOK 3.00 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment, however not below the quota value of a Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 2B:2017 is NOK 3.20 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment however not below the quota value of a Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 3B:2017 is NOK 3.50 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment, however not below the quota value of a Share in the Company.

The Price for Subscription for each Share subscribed after a call for Warrants in series 4B:2017 is NOK 3.75 or the counter value hereof in SEK or EUR in accordance to the current exchange rate on the day of payment, however not below the quota value of a Share in the Company.

2.2 Recalculation of the Price for Subscription, as well as number of new Shares which each Warrant entitles Subscription to, may be carried out as set forth in section 7. Recalculation shall however never lead to the Price for Subscription will be below the quota value of the Share. The undertaking by the Company not to take a course of action that would cause a need to such a recalculation is set forth in section 9. In section 7 it is also set forth that the Right to Subscription may occur prior to the Period of Subscription.

2.3 If Subscription is not exercised within the Period of Subscription, or any other period that follows by application of section 7, all the rights of the Holder according to the Warrants come to maturity.

2.4 Subscription can only be made for the total amount of Shares entitled to by each Warrant.

2.5 The Company is obligated to, if the Holder so requests during the Period of Subscription or any other period that follows by application of section 7, issue to the Holder, the amount of Shares as referred to in the notification of Subscription.

## **3 NOTIFICATION OF SUBSCRIPTION**

3.1 In order for any Subscription to be executed, the Holder shall submit to the Company a notification in the form of a message in accordance with section 8, indicating the amount of Warrants that is to be used together with a Subscription Certificate that represents at a

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minimum the amount of Warrants the notification refers to. Subscription can be made regarding all or some of the Shares that can be subject to Subscription based on the Warrants represented by the submitted Subscription Certificate.

3.2 If the Company is a Central Securities Depository Company and if the Warrants have been registered on a securities account, shall, on request for Subscription, for registration purposes, a form, the contents which has been set, be provided to the Company, or where applicable, to an Institution Maintaining a Holder's Account.

3.3 Notifications of Subscription are binding and cannot be revoked by the Holder.

#### **4 PAYMENT**

Payment shall be made at the time of the notification of Subscription for the amount of Shares this notification refers to by a deposit on an account assigned by the Company.

#### **5 RECORDED IN THE SHARE REGISTER ETC.**

5.1 In Companies that are not Central Securities Depository Companies, the new Shares shall be recorded in the Company's share register and be notified to the Swedish Companies Registration Office immediately after Subscription, payment and allocation of Shares have been executed. Share certificates shall not be issued before the registration with the Swedish Companies Registration Office has been made.

5.2 In Central Securities Depository Companies, the new Shares shall be recorded in the Company's share register and in the Holder's Central Securities Depository Account as interim shares immediately after the notification of Subscription, payment and allocation of Shares have been executed. Following registration with the Swedish Companies Registration Office, the registration of the share accounts or in the share register will be final.

5.3 Subscription of Shares with support of the Warrants is subject to potential reservations regarding conversion, consent, pre-emption and redemption in the Company's Articles of Association.

#### **6 DIVIDENDS IN RESPECT OF NEW SHARES**

6.1 In Companies that are not Central Securities Depository Companies, the new Shares entitle to dividends with regard to dividend resolved following the day of entering the Shares in the Share register.

6.2 In Central Securities Depository Companies, Shares which are newly issued following Subscription shall carry an entitlement to participate in dividends for the first time on the next record date for dividends which occurs after the Shares have been entered in the Company's share register as interim shares through Euroclear.

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## 7 RECALCULATION BY NEW ISSUE ETC.

7.1 With regard to the rights of the Option Holder in the situations described below, the terms and conditions as set out in this section 7 apply for each situation respectively. The term "Execution of warrant" as mentioned in these terms and conditions, refers to, regarding Central Securities Depository companies, that the newly issued shares have been recorded in the Company's share register as interim shares.

7.2 If the Company executes a bonus issue of Shares, Subscription, pursuant to section 2 that is called on such time meaning it cannot be executed prior to the Annual General Meeting that decides on such bonus issue, shall be made first after that the Annual General Meeting has made such decision. Share, that is issued due to a Subscription executed after the decision about bonus issue, does not have the right to participate in the issue.

As by Subscription pursuant to chapter 2 that is executed on such time that no right to participate in the bonus issue apply for the Option Holder, a recalculated Subscription price apply as well as a recalculation of the number of shares that each warrant entitles Subscription to. The Recalculations are made by the Company pursuant to following the formula:

Recalculated Subscription price =  $\frac{\text{previous Subscription price} \times \text{number of Shares prior to bonus issue}}{\text{number of Shares after the bonus issue}}$

recalculated number of Shares that each warrant entitles Subscription to =  $\frac{\text{previous number of shares that each warrant entitles Subscription to} \times \text{number of Shares after bonus issue}}{\text{number of Shares prior to bonus issue}}$

Subscription may not take place during the time from the decision to issue until the day when the recalculated Subscription price and the recalculated number of Shares that each warrant entitles Subscription to, have been determined pursuant to the above.

7.3 If the Company conducts a *reversed stock split* or a *division* of Shares, a corresponding recalculation as set out in 7.2 shall be made.

7.4 If the Company decides to issue new shares, with right to pre-emption for the shareholders to subscribe for Shares through cash-payment, the following shall apply:

If the decision to issue is made by the Board and conditioned by the General Meeting's approval or the authorization by the General Meeting, the decision shall state the last day for Subscription to be executed in order for a Share to contain the right to participate in the issue. Such day may not fall earlier than the tenth calendar day after the decision.

If the decision to issue is made by the General Meeting, the Subscription shall, if called on such time that the Subscription cannot be executed prior to the General Meeting that decides on the issue, be executed first from that the Company has executed a recalculation pursuant to this section. A Share that has been issued because of such Subscription does not contain a right to participate in the issue.

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Subscription that takes place at such time that no right to participate in the issue apply for the Option Holder, a recalculated Subscription price as well as recalculation of the number of Shares that each warrant entitles to shall apply. The recalculations are made by the Company pursuant to the following formula:

recalculated Subscription price =  $\frac{\text{previous Subscription price} \times \text{Share value}}{\text{Share value increased by the theoretical value of the subscription right}}$

recalculated number of Shares that each warrant entitles to Subscription for =  $\frac{\text{previous number of Shares that each warrant entitles to Subscription for} \times (\text{Share value increased by the theoretical value of the subscription right})}{\text{Share value}}$

The theoretical value of the subscription right shall be calculated pursuant to the following formula:

The subscription right's new theoretical value =  $\frac{\text{The number of new Shares that as a maximum can be issued pursuant to the issue decision} \times (\text{Share Value} - \text{issue rate for that share})}{\text{Number of Shares before the issue decision}}$

If the calculation results in a negative value, the theoretical value on the subscription right shall be determined to zero.

Recalculated Subscription price and number of Shares that each Warrant entitles to, is determined by the Company within two Banking days after the end of the period during which Subscription of new shares in the new issue has been possible.

Subscription may not take place during the time from the decision to issue up until the day when the recalculated Subscription price and the recalculated number of Shares that each Warrant entitles to, have been determined pursuant to the above.

- 7.5 If the Company carries out *an issue of convertible bonds or warrants* – in both cases with right to pre-emption for the shareholders to subscribe for cash payment – as by Subscription executed on such time that the no right follow for the holder to participate in the issue – recalculation shall be made. For the recalculation, the terms and conditions as set out in 7.4 above shall be applied correspondingly.
- 7.6 Would the Company in other cases than described in 7.2-7.5 above, offer all shareholders to, with the right to pre-emption pursuant to chapter 13, section 1, the Swedish Companies Act, from the Company acquire securities or rights of some sort or to decide on, pursuant to above mentioned principles, to the shareholders divide such securities or rights gratuitously, by Subscription pursuant to chapter 2 that are executed on such time that no right to participate in the offer apply for the Option Holder, a recalculated Subscription Price apply and a recalculated

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number of Shares that each warrant entitles to. The recalculation is made by the Company pursuant to the following formula:

recalculated Subscription price = previous Subscription price x  
Share value  
Share value increased by the value of the right to participate in the offer, i.e. the value of the pre-emptive right

recalculated number of Shares that each warrant entitles to Subscription for = previous number of Shares that each warrant entitles to Subscription for x  
(The Share value increased by the value of the right to participate in the offer, i.e. the value of the pre-emptive right)  
Share value

If the Shareholders have obtained purchase rights and trade with these have occurred, the value of the right to participate in the offer shall correspond to the value of the purchase right. The value of the pre-emptive right shall be deemed to correspond with the average value of all trading days during the relevant subscription period, where each trading day's value is calculated as the average of the quoted highest and lowest pay rate for the pre-emptive right. In the absence of such pay rate for a certain day, the final rate quoted as offered purchase price shall apply in the calculation. For a day with no quotation registered of neither pay rate nor offered purchase price shall be excluded from the calculation.

If the shareholders have not obtained pre-emptive rights or if trade with pre-emptive rights has not occurred, the recalculation of the Subscription price as well as the number of Shares that each warrant entitles to, the provisions as set out in this section shall apply as far as possible.

Recalculated Subscription price and number of Shares that each warrant entitles to, is determined by the Company two Banking days after the expiration of the subscription period or the offer period.

Subscription may not take place during the time from the decision to offer to the day when the recalculated Subscription price and the recalculated number of Shares that each warrant entitles to, have been determined pursuant to the above.

7.7 If the Company decides on *cash dividends* to all Shareholders and Subscription is called for by such time that a there through obtained Share, contain no right to obtain such dividend, a recalculated Subscription price apply. The recalculation is based on the whole dividend starting from the first krona. The recalculation is made by the Company pursuant to the following formula:

recalculated Subscription price = previous Subscription price decreased by  
dividend as paid by Share

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The provisions in this section 7.7 regarding recalculation as by dividends, refers to common shares only. Dividends regarding preference shares do not bring forth recalculation of the Subscription price.

If the Company obtains *unconditional shareholder contribution*, the Subscription price shall be recalculated with this in consideration. The recalculation is carried out by the Company pursuant to the following formula:

recalculated Subscription price =  $\text{previous Subscription Price} + \text{contribution per Share} \times (1 + \text{by each time current STIBOR 360 days} \times (1 - \text{current corporate income tax level})) \times \text{number of years since the contribution}$

Besides this, what has been stated above regarding dividends shall apply correspondingly.

7.8 If the Company's share capital is reduced, together with a repayment to the shareholders, shall, in the case of Subscription pursuant to section 2 which is called for by such time that a right to reimbursement does not arise, a recalculated Subscription price be applied as well as a recalculation of the number of Shares that each Warrant entitles to. The recalculation is carried out pursuant to the following formulas:

recalculated Subscription price =  $\frac{\text{previous Subscription Price} \times \text{Share Value}}{\text{Share Value increased by the amount which is to be repaid per Share}}$

recalculated number of Shares which each Warrant entitles Subscription of =  $\frac{\text{previous number of Shares which each Warrant has entitled Subscription of} \times (\text{Share Value increased by the amount which is to be repaid per Share})}{\text{Share Value}}$

Subscription price and the recalculated number of Shares that each Warrant entitles to, shall be determined two Banking days after the expiry of the period of 25 days stipulated under the definitions section above. During the period following the resolution to reduce the share capital, or, if the Company is a Central Securities Depository Company, from the record date for the repayment, until recalculation of Subscription Price as well as recalculation of the number of Shares which each Warrant entitles to has occurred, Subscription may not be carried out. During the period following the resolution to reduce the share capital, or, if the Company is a Central Securities Depository Company, from the record date for the repayment, until recalculation has occurred, Subscription may not be carried out.

The provisions in this section 7.8 concerning recalculation following the reduction of the share capital with repayment do not apply to preferred stock which in accordance to a proviso in the articles of association are redeemable.

7.9 In making a recalculation of the Subscription Price and the number of Shares which each Warrant entitles to pursuant to the above, the values shall be rounded off to two decimals, at which five parts per thousand and above shall be rounded off upwards.



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7.10 Should the Company adopt a *merger plan* in accordance with Chapter 23, section 6 of the Swedish Companies Act whereby the Company is to be merged in another company, or should the board of directors in accordance with Chapter 23, section 28 of the Swedish Companies Act resolve that the Company is to be merged into its parent company, the Option Holder shall receive equivalent rights in the absorbing company as in the Company (the absorbed company), if the Option Holder does not have a right according to the merger plan to have its Warrants redeemed by the absorbing company.

7.11 The terms in 7.10 shall also be applied if the Company adopts a demerger plan in accordance with Chapter 24, section 8 of the Swedish Companies Act whereby the Company shall be demerged into two or several companies, whereupon what is provided in that section regarding the absorbing company shall also apply to the absorbing companies.

7.12 Should the Shares in the Company be subject to mandatory redemption in accordance with Chapter 22 of the Companies Act, the Company shall, in case a request for Subscription would occur later than 30 days following the day a request for mandatory redemption was publicly announced, set a new final date for making a request for Subscription, which shall occur not later than 30 days from the date a request for mandatory redemption was publicly announced. A notice hereof to the Option Holders in accordance with Chapter 8 shall be made forthwith.

The provisions in this Section 7.12 do not effect the Option Holders' rights to request redemption of the Warrants in accordance with Chapter 22, section 26 of the Companies Act.

7.13 In the event of liquidation, irrespectively the reasons for the liquidation, no further Subscription may be requested. The right to Subscribe ceases as a result of the resolution regarding liquidation, irrespectively of whether it has not come into force.

No later than four weeks prior to the general meeting's resolving upon whether the Company shall go into liquidation according with Chapter 25, section 1 of the Companies Act, the Option Holders shall, by written notice according with Chapter 8 below, be informed of the intended liquidation. The notice shall contain a reminder that Subscription may not take place following the general meeting's resolution to liquidate.

In event of liquidation on other grounds than according with Chapter 25, section 1 of the Companies Act, notification according to the second paragraph above to the Option Holders shall be made as soon as the Company has gained knowledge that a case is pending regarding the liquidation of the Company.

Should the Company issue a notification on a forthcoming liquidation according to the above, the Option Holders shall – irrespectively of what is otherwise applicable with regard to the right to Subscription according to Chapter 2 above – be entitled to request Subscription from the day which the Company has dispatched such a notice. If the issue of the Company's liquidation shall be resolved at a general meeting, Subscription may be requested only if it can be executed prior to the general meeting at which the issue of the Company's liquidation shall be resolved. What has been stipulated above in this paragraph shall not apply with regard to liquidation other than pursuant to Chapter 25, section 1 of the Companies Act if grounds for liquidation are apparently not at hand.

7.14 Irrespective of 7.10-7.13 – where it is stipulated that Subscription may not be executed following a resolution on merger, demerger, mandatory redemption, or liquidation – the right to

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Subscription shall reoccur if the liquidation ceases or the matter of merger, demerger, or mandatory redemption expires.

- 7.15 On bankruptcy of the Company, Subscription may not be executed. However, if the court order on bankruptcy is overruled, Subscription may again take place.
- 7.16 If the Shares should cease to be subject to trading on a regulated market or a trading platform, the Option Holder has a right to, contrary to the stipulations in Chapter 2, use the Warrants for Subscription irrespective of that the Subscription Period has not yet started, at which the terms in 7.17 below shall apply.
- 7.17 If the ownership of the Company changes in a way that (i) a shareholder alone, or (ii) a shareholder who through an agreement with one or several other shareholder(s), is entitled to exercise more than 50 percent of all outstanding shares, the Option Holder has the right to Subscription up until forty-five (45) days following the issuing by the Company of a notice of such change of ownership (disclosure notice). Thereafter Subscription may not take place.
- 7.18 Should the Company undertake an action which gives rise to recalculation according to this Chapter 7, and if either party considers that the application of the recalculation formulae applicable thereto, due to the said action's technical formation or on any other basis, cannot be executed or would lead to a result apparently is unequitable, party has the right to defer the matter of recalculation to a Valuation Institute. The Valuation Institute shall thereafter, with binding effect on the parties, resolve whether recalculation shall be made, and, where applicable, recalculate the Subscription Price and/or the number of Shares which each Warrant entitles to Subscription of, in the manner which the Valuation Institute deems appropriate in order to reach a reasonable result to both parties.
- 7.19 The stipulations in Section 7.18 shall apply mutatis mutandis, should the Company undertake an action which does not cause a recalculation as per the above, if said action according to practices on the stock market gives rise to recalculation and if not making such recalculation would lead to a result which apparently is unreasonable. The Valuation Institute shall then, with binding effect to both parties, resolve on whether recalculation shall be carried out, and, where applicable, conduct a recalculation, at which prevailing practices for recalculation shall be applied.

## **8 NOTICES, ET CETERA**

- 8.1 Notices exchanged between the Option Holder and the Company regarding the Warrants shall be made in writing and be sent by mail, to the extent stipulations to the contrary is not provided in these terms.
- 8.2 Notices to the Option Holder shall be sent to the address of the Option Holder last stated to the Company. Notices to the Company shall be sent to the mailing address which was last registered by the Swedish Companies Registration Office. The Option Holder shall forthwith notify the Company of any change of mailing address, as provided in Section 8.1.
- 8.3 Notices sent to a recipient at the address which follows from Section 8.2 shall, unless otherwise indicated, be considered to have been received by the recipient on the third Banking day following the dispatch.

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## **9 SPECIFIC UNDERTAKING BY THE COMPANY**

The Company undertakes to desist from taking any action which in the recalculation in accordance with Section 7 would cause the Subscription price to be set to an amount below the Share's quota value.

## **10 CUSTODIAN**

A person who has been granted permission in accordance with Chapter 5, section 15 of the Swedish Companies Act to, in the place of a shareholder, be entered into the Company's share register, has the right to be registered as holder. For the purpose of these terms, such a custodian shall be considered as Option Holder.

## **11 INVALIDITY**

Should any provision in these terms be invalid, this shall not cause the terms in their entirety to be rendered invalid. In such case, provided that the invalidity materially affects a party's consideration or performance of the terms, an equitable adjustment of the terms shall be made.

## **12 TAXES, FEES, AND BROKERAGE**

The Option Holder shall pay all taxes or fees which may arise on account of assignment, holding or use of Warrant or any other similar dispositions due to Swedish or foreign laws or the resolution by any Swedish or foreign governmental agency. Any brokerage in connection with assignment of Shares on the basis of the Warrants shall be borne by the Option Holder.

## **13 FORCE MAJEURE, ET CETERA**

13.1 With regard to actions resting on the Company under these terms, the Company shall not be liable for damage caused by the stipulations of law, actions by a governmental agency, event of war, strike, lockout, boycott, blockade or any similar event. The exception with regard to strikes, lockout, boycott or blockade shall apply even if the Company itself takes such action or is subject to such act of conflict.

13.2 The Company is not liable for damage which the Option Holder suffers provided that the Company has acted with normal care. The Company shall in no event be liable for indirect damage.

13.3 If due to an event mentioned in Section 13.1 above the Company is hindered to take action as directed in these terms, such actions may be postponed until the hindrance has ceased.

13.4 The terms in Section 13 shall apply also in the case that Euroclear, an Institution Maintaining a Holder's Account, or any other, on behalf of the Company undertakes such action which under these terms rests on the Company, however considering the stipulations of the Financial Instruments Accounts Act (1998:1479).

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**14 CHANGE OF TERMS**

The Company has the right to adjust these terms to the extent change in legislation, court verdict or due resolution by a governmental agency so require, or if it in the view of the Company for practical reasons is appropriate or necessary and it is not materially detrimental to the Option Holder's rights.

**15 TERMS ON INFORMATION AND LOJALITY, ET CETERA**

15.1 The Company has the right to acquire information about the Option Holder from Euroclear or any other central securities depository.

15.2 A party shall forthwith inform the counterparty of any event or circumstance which may affect such party's ability to perform its obligations under these terms.

15.3 A party shall act loyally in relation to the counterparty and in the best manner act for the purpose of fulfilment of these terms.

**16 APPLICABLE LAW, ET CETERA**

16.1 These terms shall be interpreted and applied in accordance with Swedish law. In the interpretation and application of the terms customs and practices in the stock market shall be considered. Disputes arising from these terms, or any other legal relationship attributable thereto shall be resolved by the Stockholm district court. However, if a party wishes that a dispute shall be resolved under the Arbitration Act that party is entitled thereto provided that, firstly, that party undertakes sole liability for all costs connected to the arbitration procedure, and, secondly, put up any collateral which the arbitral tribunal may require.

16.2 The arbitration procedure shall take place in Stockholm. The procedure shall be carried out in Swedish.

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**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

**Item 18 Amendments of the terms and conditions for the employee stock option program and thereto related warrants adopted on the extraordinary general meeting on November 17, 2015**

**The Board proposes the following additions:**

Each employee option holder shall enter into a certain agreement with Axactor AB (publ) (the “**Company**”) regarding employee option program in connection to receiving employee stock options in accordance with this employee stock option program. The agreement shall, in addition to terms and conditions regarding the employee stock option program, contain regulation regarding inter alia confidentiality and disputes.

Moreover, the Board may adjust the terms and conditions for the employee stock option program provided that the adjustment may not conflict with Chapter 16 of the Swedish Companies Act.

**The Board proposes the following adjustments:**

**Under the heading “Terms for Employee Stock Options” (Sw: *Villkor för personaloptionerna*)**

Former wording:

27 % of the stock options may be exercised for subscription of shares after 12 months from the issuance for a subscription price amounting to NOK 1.00.

27 % of the stock options may be exercised for subscription of shares after 24 months from the issuance for a subscription price amounting to NOK 1.15.

27 % of the stock options may be exercised for subscription of shares after 36 months from the issuance for a subscription price amounting to NOK 1.25.

19 % of the stock options may be exercised for subscription of shares after 48 months from the issuance for a subscription price amounting to NOK 1.30.

All option may be exercised during a period of 45 days from the first day of subscription as set out above. In case subscription is not carried out under the respective subscription period, subscription may instead be carried out under later subscription periods and during the last 45 days of the term for the stock option.

New wording:

27 % of the stock options can be exercised to acquire shares in the Company as from February 16, 2018 up to and including April 1, 2018 for a price of 1,00 NOK/share.

27 % of the stock options can be exercised to acquire shares in the Company as from February 16, 2018 up to and including April 1, 2018 for a price of 1,15 NOK/share.

27 % of the stock options can be exercised to acquire shares in the Company as from February 16, 2019 up to and including April 1, 2019 for a price of 1,25 NOK/share.

19 % of the stock options can be exercised to acquire shares in the Company as from February 16, 2020 up to and including April 1, 2020 for a price of 1,30 NOK/share.

**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

All employee stock options, which are not due, may be exercised by the employee stock option holders if (i) a shareholder alone, or (ii) a shareholder who through an agreement with one or several other shareholder(s), is entitled to exercise more than 50 percent of all outstanding shares. The time period to exercise outstanding employee stock options is 45 days starting from the day the Company has announced the change of ownership.

The price as well as the number of shares that each employee stock option give the holder the right to acquire, can be subject to re-calculation pursuant to the terms and conditions for the warrants linked to this employee stock option program following from fund issue, split, pre-emption right issue and similar measures.

Additional terms and conditions for the employee stock option holders' right to acquire shares pursuant to the above (payment terms etc.) are set out in the employee stock option agreement.

**Under the heading "Delivery of share after exercise of employee stock options" (Sw: *Leverans av aktier vid påkallande av teckning av optioner*)**

Former wording:

To assure that the Company can fulfill its commitment to deliver shares after exercise of the employee stock option by the employee option holders, the Board proposes that the general meeting also shall issue warrants. Delivery of shares shall be made through transfer of warrants from a wholly owned subsidiary, which thereafter can be exercised for subscription of shares in the Company.

New wording:

To assure that the Company can fulfill its commitment to deliver shares after exercise of the employee stock option by the employee option holders, the Board proposes that the general meeting shall issue warrants and authorize the Board to acquire own shares. Delivery of shares shall be made through transfer of warrants from a wholly owned subsidiary, which thereafter can be exercised for subscription of shares in the Company, or through transfer of re-acquired own shares.

The Board shall also have the right to, fully or partly, regulate the Company's commitments to the employee stock option holders pursuant to employee stock option program, through cash payment, which shall amount to the difference between the strike price per share pursuant to each warrant and the intra-day volume-weighted average share price as per the day of the exercise of the current employee stock option.

**Adjustments in section 7.17 in the terms and conditions for the warrants for subscription of new shares in Axactor AB (publ) (former Nickel Mountain Group AB (publ)), reg.no 556227-8043, serie 2015:1, 2015:2, 2015:3 and 2015:4**

Former wording:

If the ownership of the Company changes in a way that a mandatory bid according to the Swedish Act (2006: 451) on public takeover bids should occur, the Company shall immediately inform the Option Holder of this in accordance with Section 8 below. The Option Holder shall be entitled to Subscription from the day that commences five (5) weekdays from the date of the Company's dispatch of the notice. The warrant holder's right to Subscription expires ninety (90) days after the date of dispatch. Subsequently, Subscription may not occur. The provisions above of this paragraph apply without prejudice to the law on public takeover bids is not applicable, for example because the market or trading platform in which the Company's shares are traded does not constitute a regulated market within the meaning of that Act.

**Nota bene:** *The English text is an uncertified translation of the Swedish original and in the event of any inconsistency between the English version and the Swedish version, the Swedish version shall prevail.*

New wording:

If the ownership of the Company changes in a way that (i) a shareholder alone, or (ii) a shareholder who through an agreement with one or several other shareholder(s), is entitled to exercise more than 50 percent of all outstanding shares, the Option Holder has the right to Subscription up until forty-five (45) days following the issuing by the Company of a notice of such change of ownership (disclosure notice). Thereafter Subscription may not take place.

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*For a resolution, pursuant to this item, to be valid, the proposal shall be supported by shareholders represented by minimum nine tenths (9/10) of the votes as well as the shares represented at the Annual General Meeting.*

# Guidelines for the Nomination Committee of Axactor AB (publ)

## 1. Purpose and mandate

The Nomination Committee's duties are to represent the interests of the shareholders in general, and evaluate and recommend qualified candidates to Axactor AB (publ)'s (the "**Company**") Board of Directors (the "**Board**") and Nomination Committee for the Annual General Meeting ("**AGM**") as well as propose the remuneration for the Board and members of Nomination Committee.

The Nomination Committee shall comply with the requirements of the Norwegian Code of Practice for Corporate Governance concerning tasks of the nomination committee.

## 2. Composition

The Nomination Committee shall consist of between two and four members and be elected by the AGM for a period of one year at a time. The Nomination committee shall propose members and the chairperson of the Nomination Committee for the AGM.

The majority of the members of the Nomination Committee should be independent of the Board of Directors and the executive personnel.

The Nomination Committee should ensure renewal of members that have served in the committee for an extensive period of time.

## 3. Responsibilities

The Nomination Committee's responsibilities include:

- I. Evaluating the work of the Board, the Board as a whole and its composition.
- II. Nomination of the Chairperson of the Board and the other candidates for election to the Board at the AGM.
- III. Identifying and proposing candidates to fill vacancies occurring between AGMs.
- IV. Identifying, interviewing and recruiting candidates for the Board, including reviewing shareholder recommended candidates.
- V. Reviewing qualifications, including capability, availability to serve, conflicts of interest, and other relevant factors before proposing an existing director, additional candidate, or a replacement.
- VI. Suggest remuneration for the Board and Nomination Committee members, to be approved by the AGM.
- VII. Reviewing and recommending any changes to the charter of the Nomination Committee.



#### **4. Meetings**

The Nomination Committee shall meet as often as it deems necessary, but at least once annually. Meetings of the Nomination Committee are convened by the Chairperson of the Nomination Committee or at the request of one of the committee members, the Chairperson of the Board or the Chief Executive Officer.

#### **5. The work of the Nomination Committee**

The Nomination Committee should in accordance with the principles of good corporate governance ensure that due attention is paid to the interest of the shareholder community and the Company's requirements for competence, capacity and diversity. In assessing the qualifications of existing and prospective members of the Board, the Nomination Committee shall consider each member's integrity, experience, skills, independency, ability and willingness to devote time and effort necessary to be an effective member of the Board, and commitment to acting in the best interest of the Company and its shareholders.

The Nomination Committee shall obtain information necessary to evaluate existing and new members to the Board. The Nomination Committee should maintain contact with members of the Board and the management of the Company. If need of external advisors, the Nomination Committee needs approval from the Chairperson of the Board. The Nomination Committee should actively maintain contact with the shareholder community and have an active dialogue with larger shareholders well in advance of the AGM. Proposals to changes regarding members of the Board or the Nomination Committee received by any shareholder should be considered and evaluated by the Nomination Committee.

When the Nomination Committee considers new members of the Board, it should balance the need for continuity against the need for renewal. Emphasis will also be given to ensuring reasonable representation in terms of gender and background, and to the independence of members of the Board in relation to the Company.

The Nomination Committee's expenses are borne by the Company.

#### **6. Processing of the recommendation from the Nomination Committee**

The Nomination Committee's recommendation to the AGM shall be completed in ample time so that it can be communicated to the shareholders in advance of the meeting. The recommendation should preferably be sent together with the Notice of General Meeting. If that is not possible, shareholders should receive the recommendation by letter or by a press release.

The Nomination Committee must justify its recommendations and provide relevant information about the candidates. The Nomination Committee's recommendation should include information about the candidates' age, education, competence, experience and capacity. Any dissenting votes must be stated in the recommendation.

Approved by the Board: April 19, 2017

Approved by the General Meeting: [May 31, 2017]