

## **The board of directors' proposal for resolutions on (a) an authorization to issue series C shares, (b) an authorization to repurchase series C shares, and (c) the transfer of own shares under the CEO Share Program 2011**

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### **a) Authorization to issue series C shares**

*The annual general meeting 2011, held on 28 April 2011, resolved to authorize the board of directors to resolve on directed issues of series C shares, as part of the company's share programs 2008-2011. The board of directors now proposes that the extraordinary general meeting, by amending the resolution by the annual general meeting, resolves that the aforementioned authorization shall cover series C shares to be issued also in connection with the performance based, long-term share program for the CEO that is proposed to be approved by the extraordinary general meeting (the "CEO Share Program 2011"). As a result, the amended authorization shall have the following wording:*

The board of directors shall be authorized to resolve on one or several directed issues of series C shares, during the time period until the end of the next annual general meeting of shareholders, as part of the company's share programs 2008-2011 and the CEO Share Program 2011 (jointly referred to as the "Share Programs"), for the purpose of creating share delivery capacity for the company and to secure for future cash flow effects due to payments of social security costs connected with the Share Programs. The right to subscribe for the series C shares shall, with deviation from the shareholders pre-emptive rights, be granted only to an external party who has been informed in advance. Such issues must not result in the share capital of the company exceeding the limits set out in the articles of association as adopted from time to time.

The basis for the subscription price shall be the share's quota value. It is proposed that the subscription price be equivalent to the quota value in order to limit the company's costs in conjunction with any future repurchase of the issued shares.

It is noted that the new series C shares will be subject to restrictions pursuant to Chapter 4, Section 6 (conversion clause) and Chapter 20, Section 31 (redemption clause) of the Swedish Companies Act.

### **b) Authorization to repurchase series C shares**

*The annual general meeting 2011 further resolved to authorize the board of directors to resolve on repurchases of series C shares, for the purpose of fulfilling the company's obligations under its share programs 2008-2011. The board of directors now proposes that the extraordinary general meeting, by amending the resolution by the annual general meeting, resolves that the aforementioned authorization shall cover series C shares to be repurchased also in connection with the proposed CEO Share Program 2011. As a result, the amended authorization shall have the following wording:*

The board of directors shall be authorized to resolve on repurchase of the company's own shares in accordance with the following terms and conditions:

1. The board of directors shall have the right to repurchase all issued series C shares through an offer directed to all holders of series C shares.

N.B. The English text is an in-house translation

2. The repurchase authorization may be exercised on one or several occasions until the next annual general meeting.
3. The number of repurchased shares may not exceed 10% of all issued shares in the company at any given time.
4. The repurchase shall be made at a price corresponding to the share's quota value.

The reason for the proposed authorization to repurchase own shares is that the company shall be able to fulfill its obligations pursuant to its Share Programs (for the avoidance of doubt, including the share programs 2008-2011 and the CEO Share Program 2011).

### **c) Transfer of own shares under the CEO Share Program 2011**

*The annual general meeting 2011 further resolved on transfers of own shares to participants in the company's share programs 2008-2011. The board of directors now proposes that the extraordinary general meeting in addition thereto shall resolve on a transfer of own shares to the participant in the CEO Share Program 2011, in accordance with the following terms and conditions:*

Not more than 500,000 series C shares that Swedish Orphan Biovitrum either (i) purchases by virtue of the above proposed authorization to repurchase its own shares, or (ii) has issued and repurchased (but not transferred to any participant) in connection with any of the share programs 2008-2011, may, following conversion into common shares, be transferred to the participant in the CEO Share Program 2011, in accordance with the terms and conditions of such program.

The participant in the CEO Share Program 2011 shall receive such shares free of charge. The number of shares that may be transferred shall be subject to recalculation in the event of an intervening bonus issue, split, rights issue and/or other similar events.

### **Miscellaneous**

The purpose of the board's proposals a)-c) above and the reason for the deviation from the shareholders' preferential right is to enable the company to transfer shares to the participants in the Share Programs and to secure future cash flow effects due to payments of social security costs connected with the Share Programs.

### **Majority requirements**

The board of directors proposes that the resolutions pursuant to items a)-c) above shall be adopted by the extraordinary general meeting as one resolution. Valid resolution requires the approval of shareholders representing at least nine-tenths of the votes cast as well as the shares represented at the general meeting.

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Stockholm on 29 June 2011  
**Swedish Orphan Biovitrum AB (publ)**  
*the Board of Directors*