

Item 18. Proposal from the board of directors' of Karolinska Development for approval of new Articles of Association

It is proposed that the Annual General Meeting resolves to adopt new Articles of Association for the company, whereby the voting limits and the provision regarding liquidation is deleted, due to the listing of the company. In addition there are changes due to changes in the Swedish Company's Act, notice for general meetings will be made by advertisement in *Post- och Inrikes Tidningar* and on the company's website. The time limits for notices are deleted from the Articles since they are set forth in the Swedish Company's Act. Besides that some minor adjustments have been made.

A resolution in accordance with the Board of Director's proposal requires support from shareholders with not less than 2/3 of votes cast as well as shares represented at the meeting. The board of directors or the one the board of directors appoints is authorized to make such minor adjustments to this decision that may be necessary in connection with the registration.

The main changes are marked up below. The proposed new Articles of Association is enclosed.

6 Restriction on voting rights

~~At shareholders' meetings no shareholder may, in person or by proxy, vote for more than in aggregate, 35 per cent of all votes in the company. The aforesaid shall however not apply (i) if any shareholder owns more than 90 per cent of all shares in the company or, even if this is not the case, has the right to initiate compulsory purchase proceedings in accordance with the provisions in the Swedish Companies Act, or (ii) if shares in the company have, at any time been listed at a stock exchange or other organized marketplace.~~

8 Liquidation

~~If shares in the company have not at any time before the end of 2017 been listed for trading at a stock exchange or another organized marketplace, the company shall enter into liquidation on 1 February 2018 without further action.~~

12 Notice of shareholders' meeting

~~Notices of annual shareholders' meetings as well as of extraordinary shareholders' meetings at which matters regarding amendments to the articles of association are to be addressed, shall be issued not earlier than six weeks and not later than four weeks prior to the shareholders' meeting. Notice of other extraordinary shareholders' meetings shall be issued not earlier than six weeks and not later than two weeks prior to the shareholders' meeting.~~

~~Notices of shareholders' meetings shall be published in *Post- och Inrikes Tidningar* (the Swedish Official Gazette) and *Svenska Dagbladet*.~~

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

Articles of Association

Karolinska Development AB (publ) (CIN 556707-5048)

Adopted at the annual shareholders meeting May 25, 2011

1 Name

The company's name is Karolinska Development AB. The company is a public company.

2 Registered office

The company's registered office shall be situated in the municipality of Solna, Sweden.

3 Object of the company's business

The objects of the Company's business are to provide administration services within finance and accounting, legal, management and human resources; to provide advice within medical development, clinical trial, regulatory and patents; to own and manage shares and other securities within the area of medicine, biotechnology and pharmaceuticals; as well as other activities compatible therewith.

4 Share capital and shares

The company's share capital shall be not less than SEK 13,499,743 and not more than SEK 53,998,972. The company shall have not less than 26,999,486 shares and not more than 107,997,944 shares.

Two classes of shares may be issued, class A and class B. Each share of class A shall carry ten (10) votes. Each share of class B shall carry one (1) vote. Shares of either class may be issued up to an amount corresponding to the entire share capital.

If the company resolves to issue new shares of two classes, class A and class B, through a cash issue or an issue with payment by set-off, owners of shares of class A and class B shall enjoy preferential rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary preferential right). Shares which are not subscribed for pursuant to the primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential right). If the shares thus offered are not sufficient for the subscription pursuant to the subsidiary preferential rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the company resolves only to issue shares of one class through a cash issue or an issue with payment by set-off, all shareholders shall, irrespective of share class, have preferential rights to subscribe for new shares pro rata to the number of shares previously held by them.

If the company resolves to issue warrants or convertibles through a cash issue or an issue with payment by set-off, the shareholders shall have preferential rights to subscribe for warrants as if the issue applied to the shares that may be subscribed for pursuant to the right of option and preferential rights to subscribe for convertibles as if the issue applied to the shares that the convertibles may be converted to, respectively.

The above shall not limit the right to resolve upon a cash issue or an issue with payment by set-off with deviation from the shareholders' preferential rights.

In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In this connection, the owners of existing shares of a certain class shall have preferential rights to new shares of the same class. This shall not restrict the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendment to the articles of association.

5 Conversion clause

One share of class A may upon request of the owner of such share be converted into one share of class B. The request for conversion shall be made in writing to the company, whereby the number of shares to which the request refers shall be stated. The conversion shall thereafter without delay be reported to the Swedish Companies Registration Office for registration and will be deemed to have been effected as soon as the registration is completed and it has been noted in the central securities depository register.

6 Euroclear company

The company's shares shall be registered in a securities register in accordance with the Swedish Financial Instruments Accounts Act (1998:1479).

7 Financial year

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

8 Board of directors

The board of directors elected by the shareholders' meeting shall consist of not less than three (3) and not more than nine (9) directors.

9 Auditor

The company shall have not less than one (1) and not more than two (2) auditors and not more than two (2) deputy auditors. As auditor and, when applicable, deputy auditor, shall an authorised public accountant or a registered public accounting firm be elected.

The board of directors may appoint one or several special auditors to review merger plans or division plans, statements by the board in connection with a reduction of the share capital, or in connection with transfers of own shares or issues of shares, warrants or convertibles with provisions regarding payment in kind, with a right to set-off or otherwise

on conditions. Such special auditor shall be an authorized public accountant or a registered accounting firm.

10 Notice of shareholders' meeting

Notices of shareholders' meetings shall be published in *Post- och Inrikes Tidningar* (the Swedish Official Gazette) and at the company's website. At the time of the notice, information that the notice has taken place shall be published in the daily newspaper Svenska Dagbladet.

11 Shareholders' right to participate in shareholders' meetings

Shareholders who want to participate in shareholders' meetings, shall be listed in print-outs or other representation of the entire shareholders' register concerning the circumstances five (5) business days prior to the meeting, as well as notify the company the day which is specified in the notice to the meeting. The last-mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Years Eve and not fall earlier than the fifth business days prior to the meeting.

Shareholders or representatives may bring up to two counsels at shareholders' meetings only if the shareholder is giving notice of the number of counsels to the company in accordance with the previous paragraph.

12 The attendance of third parties at the shareholders' meeting

The board of directors may decide that persons, who are not shareholders in the company, shall, on the terms and conditions determined by the board, have the right to attend or in another way observe the negotiations at the shareholders' meeting.

13 Collection of proxies

The board of directors may collect proxies on the expense of the company in accordance with the procedure described in chapter 7 section 4, second paragraph of the Swedish Companies Act.

14 Place for shareholders' meeting

Shareholders' meeting may be held in Stockholm or Solna, Sweden.

15 Items at the annual shareholders' meetings

The following business shall be addressed at annual shareholders' meetings:

1. election of a chairman of the meeting;
2. preparation and approval of the voting list;
3. approval of the agenda;

4. election of one or two persons who shall approve the minutes of the meeting;
5. determination of whether the meeting was duly convened;
6. submission of the annual report and the auditors' report and, where applicable, the consolidated financial statements and the auditors' report for the group;
7. resolutions regarding the adoption of the income statement and the balance sheet and, when applicable, the consolidated income statement and the consolidated balance sheet;
8. resolutions regarding allocation of the company's profits or losses in accordance with the adopted balance sheet;
9. resolutions regarding discharge of the directors and the managing director from liability;
10. determination of the number of directors and, where applicable, the number of auditors and deputy auditors;
11. determination of fees for the directors and the auditors;
12. election of directors and, where applicable, auditors and deputy auditors;
13. nomination of members of the nomination committee;
14. other matters, which are set out in the Swedish Companies Act or the company's articles of association.