

## Minutes from Annual General Meeting

Company Karolinska Development AB (publ) (CIN 556707-5048)  
Date May 14, 2014  
Place Solna

### 1. Opening of the meeting

The meeting was declared opened by the chairman of the board of directors, Bo Jesper Hansen.

### 2. Election of chairman of the meeting

It was resolved to appoint lawyer Johan Hessius as chairman of the meeting. It was noted that Ulf Richenberg, General Counsel at Karolinska Development, had been appointed to keep the minutes at the meeting.

### 3. Preparation and approval of the voting list

The voting list for the meeting was approved, **Appendix 3**. It was noted that directors of the board, representing a quorum, the CEO, the auditor in charge Thomas Strömberg and representatives of the nomination committee were present. It was approved that persons not being shareholders in the company (such as employees of the company) and shareholders that had not notified the company of their participation or not had shares registered with a nominee temporarily registered in their own name within the stipulated time frame should be entitled to participate in the meeting.

### 4. Approval of the agenda

It was resolved to approve the agenda in accordance with the notice of the meeting.

### 5. Election of one or two persons to verify the minutes

It was resolved that the Chairman together with Peter Lundqvist representing Tredje AP-fonden and Bertil Hållsten should verify the minutes.

### 6. Determination of whether the meeting was duly convened

It was noted that the notice of the meeting had been published in *Post- och Inrikes Tidningar* on April 11, 2014 and that information that the notice had been issued was published on the same date in *Svenska Dagbladet*. The notice and the proposals for resolutions have also been available on the company's website.

The meeting was declared duly convened.

### 7. Presentation of the annual report and the auditor's report and the group annual report and the auditor's group report

It was noted that the annual report and the auditor's report, and the group annual report and the auditor's group report, **Appendix 7**, were available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders upon request.

Thomas Strömberg, auditor in charge of the company's auditors Deloitte AB, presented the auditor's reports and the audit work.

It was established that the annual report and the auditor's report, and the group annual report and the auditor's group report had been duly presented.

### 8. Information from the CEO

Torbjørn Bjerke, CEO, presented information about the company's business during the financial year 2013 and the first quarter 2014. The shareholders had the opportunity to ask questions.

### 9. Report on the work of the board of directors

The chairman of the board of directors presented information regarding the work of the board of directors and the committees during the financial year 2013.

### 10. Resolutions regarding

a) *adoption of the profit and loss statement and the balance sheet, and consolidated profit and loss statement and consolidated balance sheet*

It was resolved to adopt the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet.

*b) appropriation of the company's result according to the adopted balance sheet*

It was resolved to approve the allocation of the result, proposed by the board and the CEO: in total SEK 1,275,001,150 be allocated as follows: To be carried forward SEK 1,275,001,150.

*c) discharge from liability of the directors and the CEO*

It was resolved, in accordance with the auditor's approval, to grant the directors and the CEO discharge from liability for the financial year 2013. It was noted that neither the directors of the board, nor the CEO, that were entitled to vote, participated in the resolution.

It was noted that the resolution was unanimous.

**11. Report on the work of the nomination committee**

Gillis Cullin, chairman of the nomination committee, presented the composition of the nomination committee and the work of the committee during the past year.

**12. Resolution regarding the number of directors and auditors and deputy auditors to be appointed**

Gillis Cullin presented the nomination committee's proposal regarding the number of directors and deputy directors to be appointed. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

It was resolved, in accordance with the nomination committee's proposal that the number of directors shall be eight without deputies and that the number of auditors shall be one. No deputy auditor shall be appointed.

**13. Resolution in respect of the fees for the board of directors and for the auditor**

Gillis Cullin presented the proposal of the nomination committee regarding fees for the directors of the board. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

It was resolved that the chairman will be paid a fixed amount of SEK 400,000. All other directors will be paid a fixed amount of SEK 200,000. In addition SEK 10,000 will be paid to the Chairman for each board meeting where the directors meet in person.

The auditors will be paid as per invoice.

**14. Election of chairman of the board of directors, directors and auditors and deputy auditors**

Gillis Cullin presented the proposal of the nomination committee regarding election of chairman of the board and election of directors and auditors and deputy auditors. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

It was noted that information regarding positions in other companies held by the proposed directors was presented.

It was resolved, in accordance with the nomination committee's proposal, to to re-elect the directors Bo Jesper Hansen, Vlad Artamonov, Charlotte Edenius, Hans Wigzell and Klaus Wilgenbus; to elect Robert Holland, Henrijetta Richter and Carl Johan Sundberg; to elect Bo Jesper Hansen as Chairman of the Board of Directors. The composition of the Board of Directors meets the independence requirement of the Swedish Corporate Governance Code.

It was resolved to elect Deloitte AB as auditor, currently with Thomas Strömberg as auditor in charge, for the time until the end of the 2015 Annual General Meeting.

**15. Procedure to appoint members of the nomination committee**

Gillis Cullin presented the nomination committee's proposal regarding the procedure to appoint members of the nomination committee.

It was resolved, in accordance with the nomination committee's proposal, that the nomination committee shall have five members of which the five largest owners (as set forth in the share register kept by Euroclear Sweden

AB as of 31 August 2014) shall appoint one member each. The chairman of the board of directors shall convene the first meeting. If a shareholder does not exercise its right to appoint a member, the shareholder next in order of voting power, who has not already appointed a member or has a right to appoint a member, shall have the right to appoint a member to the nominating committee. The members of the nomination committee shall be made public as soon as the members have been appointed, and in no case later than six months prior to Annual General Meeting 2015. The members shall among themselves appoint the chairman of the committee. If a member resigns or is prevented from pursuing his/her assignment, the shareholder that has appointed such member shall appoint a new member. In the event that the shareholding in the Company is materially changed, before the nomination committee has completed its assignment, the nomination committee may decide to change the composition of the nomination committee, as determined by the nomination committee (considering the principles applicable for the appointment of the nomination committee). Any change in the composition of the nomination committee shall be announced as soon as possible. No fees shall be paid to the members of the nomination committee. Out of pocket expenses shall be reimbursed by the company. The mandate of the committee shall be until the members of the succeeding committee have been announced. The nomination committee shall carry out the tasks that, according to the Swedish Corporate Governance Code, are the responsibility of the nomination committee.

**16. The board of directors' proposal regarding principles for remuneration to executive management**

Thomas Strömberg, auditor in charge of the company's auditors Deloitte AB, presented his report whether the board of directors and the CEO during the financial year 2013 had complied with the adopted principles for remuneration to executive management.

It was resolved to approve the proposal of the board of directors regarding principles for remuneration to executive management, **Appendix 16**.

It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

**17. The board of directors' proposal regarding a performance based share incentive program 2014 (PSP 2014)**

It was resolved to adopt a Performance Share Program 2014 (PSP 2014) in accordance with **Appendix 17**.

The board of directors or a person that the board of directors appoints shall be authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration.

It was noted that the resolution was unanimous. It was further noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and that it had been sent automatically to shareholders that had notified the company of their intention to attend the meeting and provided their mailing address.

**18. The board of directors' proposal regarding authorisation for the board of directors to resolve on new issues of shares**

It was resolved to authorize the board of directors for the period up to the next Annual General Meeting to resolve, whether on one or several occasions, with or without deviation from the shareholders' priority rights, and for payment in cash, by set-off or in kind, to issue new shares of series B up to a number that, at the time of the first resolution under this authorization, corresponds to ten (10) per cent of the total share capital; provided however that any such issue must not result in the Company's share capital exceeding the Company's maximum allowed share capital as set out in the articles of association.

The board of directors or a person that the board of directors appoints shall be authorized to make such minor adjustments to this resolution that may be necessary in connection with the registration.

It was noted that the resolution was unanimous. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

*Aktiespararna* requested it to be noted in the minutes that new issues with payment in cash should be performed as rights issues.

19. The board of directors' proposal regarding approval of transfer of shares and of new issues in subsidiaries

It was resolved to approve, in accordance with Chapter 16 of the Swedish Companies Act, new issues of shares directed to KCIF Fund Management KB by subsidiaries Pharmanest, Aprea and XSpray; and a transfer of shares in KCIF Fund Management AB from Karolinska Development AB to an employee, **Appendix 19**.

It was noted that the resolution was made with the required majority. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and that it had been sent automatically to shareholders that had notified the company of their intention to attend the meeting and provided their mailing address.

20. Closing of the meeting

The meeting was closed.

*Keeping minutes*

Ulf Richenberg

*Verified*

Johan Hessius

Peter Lundqvist

Bertil Hållsten