

*N.B. This is a translation of the Swedish text in the Proposal by the Board of Directors of Odd Molly International AB (publ) for a resolution to issue warrants and approval of transfer of warrants and in case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## **Proposal by the Board of Directors of Odd Molly International AB (publ) for a resolution to issue warrants and approval of transfer of warrants**

The Board of Directors of Odd Molly International AB (publ) (the "**Company**") proposes that the general meeting adopt the following resolution regarding the issuance of warrants and regarding approval of transfer of warrants.

### **A. Issuance of warrants**

#### 1. The number of warrants issued

The company shall issue not more than 300,000 warrants.

#### 2. Right to subscription

By way of derogation from the shareholders' pre-emption rights, the Company's subsidiary, Odd Molly Sverige AB, registration number 556953-9066 (the "**Subsidiary**"), a wholly-owned subsidiary of the Company, shall be entitled to subscribe for the warrants, with a right and obligation for the Subsidiary to transfer the warrants to certain senior officers of the Company in accordance with section B below.

#### 3. Oversubscription

Oversubscription may not take place.

#### 4. Issue price

The warrants shall be issued for no consideration.

#### 5. Time for subscription and application for acquisition

The warrants shall be subscribed for by the Subsidiary on a separate subscription list on 24 February 2016. However, the Board of Directors shall be entitled to extend the subscription period.

#### 6. Payment

Since the warrants are being issued for no consideration, no payment shall be made.

#### 7. The warrants

- a) Each warrant will confer upon the holder the right to subscribe for one (1) new share in the Company during the period commencing 1 January 2019 up to and including 31 January 2019.
- b) The subscription price shall be an amount corresponding to 120% of the quoted volume-weighted average transaction price for a share in the company on Nasdaq Stockholm during

the period commencing 10 February 2016 up to and including 23 February 2016. The subscription price calculated in accordance with the above shall be rounded off to the nearest whole krona. The subscription price may not be determined at an amount which is less than the share's quotient value.

- c) The newly subscribed for shares entitle the holders to participate in dividends for the first time on the first record date for dividends which falls after subscription has been effected.
- d) The complete terms and conditions for the warrants are set forth in sub-appendix A. As set forth therein, the subscription price as well as the number of shares which a warrant entitles the holder to subscribe for may be recalculated in conjunction with bonus issues, new share issues and in certain other cases.

8. Increase of the share capital; dilution

The maximum increase in the Company's share capital in conjunction with the exercise of the warrants is SEK 30,000, subject however to the increase which may result from a recalculation of the subscription price and the number of shares which each warrant entitles the holder to subscribe for as a consequence of share issues, etc. Such an increase corresponds to a dilution effect of (i) approximately 4.88 per cent of the total number of shares in the Company and approximately 4.88 per cent of the total voting interests in the Company if all of the warrants issued in 2014 are exercised for subscription for shares in the Company and (ii) approximately 4.96 per cent of the total number of shares in the Company and approximately 4.96 per cent of the total voting interests of the Company if none of the warrants issued in 2014 are exercised for subscription for shares in the Company.

9. Reasons for derogation from the shareholders' pre-emption rights, etc.

The Board of Directors has determined that it would be beneficial to the Company and its shareholders if senior executives of the Company participate in the group's growth by being offered the opportunity to acquire warrants through an options programme in the manner set forth above. Personal, long-term owner involvement by the persons entitled to subscribe for warrants may be expected to stimulate increased interest in the business and the growth of profits, as well as increase motivation and a sense of belonging with the Company.

The complete reasons for derogation from the shareholders' pre-emption rights and information regarding the preparation of the proposal for a resolution as well as certain other information are set forth in sub-appendix B.

10. Approval of transfers of warrants

1. Right to acquire

The right to acquire warrants from the Subsidiary shall vest in certain senior officers of the Company. Acquisitions may take place in the following categories.

<i>Category</i>	<i>Number</i>	<i>Number of warrants per company officer</i>
CEO	1	Maximum of 150,000
Vice President	1	Maximum of 150,000
Total	2	Maximum of 300,000

## 2. Application and allotment

Applications for acquisition of warrants shall be submitted not later than 29 February 2016. However, the Board of Directors shall be entitled to extend the above-stated period.

Persons entitled to acquire warrants shall be entitled to apply for acquisition of warrants in blocks corresponding either to the maximum number of warrants offered or reduced by blocks of 10,000 warrants.

Allotment shall be made in whole blocks of warrants and in the number at which persons entitled have submitted applications for acquisition.

Allotment is not guaranteed and is conditional on: (1) the acquisition of warrants being legal; (2) the Board of Directors determining that it can take place with reasonable administrative and financial efforts. The right to participate in the option programme is further conditional on the executive not having been given notice of termination or not having been terminated from their position in the group and the executive entering into a three-year agreement regarding an obligation to offer the Subsidiary a right of first refusal for the options before the options are transferred to a third party and a right for the Subsidiary to acquire the options at market value should the executive's employment end. The Board of Directors will make a final resolution regarding allotment and execute allotment within the aforementioned parameters.

In the event all warrants are not acquired, any remaining warrants will continue to be held by the Subsidiary and, in accordance with the Board of Directors' resolution, will be transferred to any individuals who, in the future, are recruited to company management. In the event of any such future transfer, the price will also be established as the market value at the time of the transfer.

## 3. Price and payment

The warrants will be sold on market terms at a price which is established based on a calculated market value for the warrants, applying the Black & Scholes valuation model calculated by the independent valuation institute, KPMG AB. The sales price will be established on 23 February 2016 following the conclusion of trading in the Company's shares on Nasdaq Stockholm.

Allotted warrants will be paid for in cash as soon as possible after confirmation of allotment.

**C. Authorisation**

The general meeting instructs the Board of Directors of the Company to implement the issue resolution pursuant to section A above and to ensure that the Board of Directors of the Subsidiary carries out the sale of the warrants pursuant to section B above.

The Board of Directors is authorised to make such minor adjustments to the resolution adopted by the general meeting which may prove to be necessary in conjunction with registration with the Swedish Companies Registration Office.

**D. Information regarding existing incentive programmes in the Company**

A description of the Company's other share or share price-related incentive programmes is set forth in Sub-appendix B, the annual report for 2014, and on the Company's website at [www.oddmolly.com](http://www.oddmolly.com). No share or share price-related incentive programmes have been adopted by the Company other than the programs described in Sub-appendix B, the annual report, and on the website.

The resolution adopted by the general meeting shall only be valid if supported by shareholders with not fewer than nine-tenths (9/10) of both the votes cast as well as the shares represented at the general meeting. The general meeting of the Subsidiary must also approve the resolution regarding transfers pursuant to section B above.

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Odd Molly International AB (publ)  
*The Board of Directors*