



Nordax Bank

This is an unofficial translation of the corresponding Swedish document. In the event of any discrepancies between this document and the Swedish version, the latter shall prevail.

Item 17

The Board of Directors' proposal to resolve on acquisition and transfer of own shares

The Board of Directors of Nordax Group AB (publ) proposes that the Annual General Meeting resolves on the following actions related to acquisition and transfer of the company's own shares.

a) Authorisation for the Board of Directors to resolve on acquisition and transfer of own shares

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to resolve on acquisition and transfer of own shares as follows:

1. Acquisitions may only take place on Nasdaq Stockholm at a price within the price interval at any time recorded, which shall refer to the interval between the highest buying price and the lowest selling price.
2. Transfer may take place on Nasdaq Stockholm at a price within the price interval at any time recorded, which shall refer to the interval between the highest buying price and the lowest selling price. Transfer may also take place outside Nasdaq Stockholm with or without deviation from the shareholders' preferential rights and with or without stipulations on contribution in kind or right of offset. In case of transfer outside Nasdaq Stockholm, the remuneration for shares transferred must correspond to an estimated market value and may consist of other than cash payment.
3. Acquisitions may take place so that the maximum number of the own shares at any time does not exceed 10 % of the total number of shares in the company. All shares acquired may be transferred.
4. The authorisation may be utilised on one or more occasions, however not longer than until the 2017 Annual General Meeting.

The purpose of the authorisation to acquire shares is to enable the company to satisfy obligations as a result of allocations of shares to employees within the scope of the group's long-term management incentive plans.

In addition, and with the purpose of creating an appropriate capital structure at every point in time while at the same time enable the implementation of acquisitions, it is proposed that shares acquired under the authorisation to acquire shares may be transferred, on Nasdaq Stockholm or outside Nasdaq Stockholm, to be used as payment or financing at possible future acquisitions of companies or businesses.

A resolution on acquisition of own shares requires that it is supported by shareholders representing at least two thirds (2/3) of both the votes cast and of the shares represented at the Meeting.



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The Board of Directors' statement under Chapter 19 Section 22 of the Swedish Companies Act

The company's and the group's financial position

The company's and the group's financial position as of 31 December 2015 is presented in the annual report for the financial year 2015. Furthermore, the principles applied for valuation of assets, provisions and debt are also presented.

The rationale of the repurchase authorisation

With reference to the above, and to other information that has come to the knowledge of the Board of Directors, it is the opinion of the Board of Directors that the proposed repurchase authorisation, partly to enable delivery of shares to the participants in the company's management incentive plans as well as to create an efficient hedging arrangement, partly to create flexibility in the work with the company's capital structure, is considerable with reference to the demands that the nature, scope and risks of the company's operations place on the size of the company's and the group's equity, as well as the company's and the group's consolidation needs, liquidity and position in general. In this respect, the proposed cash dividend of SEK 0.50 per share has been considered.

b) Transfer of shares by reason of the company's management incentive plans 2015 and 2016

Background

During 2015 the company introduced a long-term management incentive plan ("MIP 2015") to the executive management as well as key employees (including members of the group's Senior Management Team). MIP 2015 includes 15 persons in total. The Board of Directors has prior to the 2016 Annual General Meeting proposed a new long-term management incentive plan based on the same structure as MIP 2015 ("MIP 2016"). The scope of MIP 2015 is presented in the annual report for 2015.

In order to implement MIP 2015 and MIP 2016 in a cost-efficient and flexible way the Board of Directors has considered different methods for how delivery of shares to the participants in the plan shall be hedged. In the light of these considerations, the Boards of Directors primarily seek to hedge delivery by transferring shares repurchased by the company to the participants. Such transfer of the company's shares requires a particularly large majority decision at the Annual General Meeting. To the extent the Board of Director's proposal to resolve on transfer of own shares to the participants does not obtain the required decision majority the Board of Directors secondarily seek to enter into a share swap agreement with a third party to hedge that delivery of the company's shares to the participants can take place. If delivery of the company's shares is hedged by a share swap agreement it is proposed that the Board of Directors shall be entitled to transfer repurchased shares on Nasdaq Stockholm in order to finance potential costs related to the agreement and the plans. Resolutions regarding such transfer of own shares requires that this is supported by shareholders representing at least two thirds (2/3) of both the votes cast and of the shares represented at the Meeting. If such a required majority is not obtained the Board of Directors seek to enter into the share swap agreement and finance the agreement otherwise than by transfer of own shares.

1) Proposal to resolve on transfer of own shares to the participants in MIP 2015 and MIP 2016

The Board of Directors firstly proposes that the Annual General Meeting resolve on transfer of own shares according to the following terms:

A maximum of 455,000 shares may be transferred to the participants in MIP 2015 and MIP 2016, of which a maximum of 100,000 shares refer to MIP 2015 and a maximum of 355,000 shares refer to MIP 2016 (or the higher number that may follow from conversion due to



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bonus issue, consolidation or splitting of shares, rights issue or similar measures, according to what is the common practice for corresponding management incentive plans) with right for each participant to acquire/receive the maximum amount of shares that follow from the terms of each plan respectively.

Transfer of shares shall be made without payment at the time of and otherwise in accordance with the terms under the MIP 2015 and MIP 2016 respectively.

The reason for the deviation from the shareholders' preferential rights is that the transfer of shares forms part of the implementation of MIP 2015 and MIP 2016. Therefore, and in the light of the foregoing, the Board of Directors considers it advantageous for the company to transfer shares in accordance with the proposal.

2) Proposal to resolve on transfer of own shares on Nasdaq Stockholm

In the event that the Board of Directors' proposal in item 1) above does not obtain the required decision majority, the Board of Directors secondarily proposes that the Annual General Meeting resolves on transfer of own shares on the following terms:

Transfer may take place, on one or more occasions during the time up to the next Annual General Meeting, of a maximum of 455,000 shares on Nasdaq Stockholm in order to finance potential costs related to the share swap agreement or otherwise to MIP 2015 and MIP 2016 (or the higher number that may follow from conversion due to bonus issue, consolidation or splitting of shares, rights issue or similar measures, according to what is the common practice for corresponding management incentive plans). Transfer shall be made at a price within the price interval at any time recorded.

The reason for the deviation from the shareholders' preferential rights is that the transfer of shares forms part of the implementation of MIP 2015 and MIP 2016. Therefore, and in the light of the foregoing, the Board of Directors considers it advantageous for the company to transfer shares in accordance with the proposal.

Majority requirements

The Board of Directors proposal to resolve in accordance with item 1) above requires that the resolution is supported by nine tenths (9/10) of both the votes cast and of the share represented at the Meeting. The Board of Directors proposal to resolve in accordance with item 2) above, which will only be applicable if the proposal in item 1) have not obtained the required decision majority, requires that the resolution is supported by two thirds (2/3) of both the votes cast and of the share represented at the Meeting.

The Board of Directors in April 2016
Nordax Group AB (publ)