

**PROPOSAL BY THE BOARD OF DIRECTORS OF CLOETTA AB (PUBL) REGARDING AMENDMENTS TO THE ARTICLES OF ASSOCIATION**

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The Board of Directors proposes the following amendments to the articles of association:

<b>§ 4 Current wording:</b>	<b>§ 4 Proposed wording:</b>
<p>Shares are issuable in three series, A-shares with ten votes per share and B-shares and C-shares with one vote per share. A-shares and B-shares may be issued to an amount each corresponding to the entire share capital. C-shares may be issued to a number not exceeding 200,000,000.</p> <p>All shares have equal rights to the company's profits. Upon the company's liquidation, C-shares entitle to the same share of the company's assets as the other shares, however not more than an amount corresponding the quota value of the share, increased per the day of distribution by an interest rate factor of STIBOR one month and an additional 4 percentage units calculated from the day of payment of the subscription price. STIBOR one month is set on the first bank day of each calendar month.</p>	<p>Shares are issuable in two series, A-shares with ten votes per share and B-shares with one vote per share. A-shares and B-shares may be issued to an amount each corresponding to the entire share capital.</p> <p>All shares have equal rights to the company's profits.</p>
<b>§ 5 Current wording:</b>	<b>§ 5 Proposed wording:</b>
<p>Should the company decide to issue new shares, for cash or set-off consideration, of several series shall holders of series A, holders of series B and holders of series C have preferential rights to subscribe for new shares of the same class of shares pro rata to the number of shares already held (primary preferential right). Shares which are not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential</p>	<p>Should the company decide to issue new shares, for cash or set-off consideration, of series A and series B, holders of series A and series B shall have preferential rights to subscribe for new shares of the same class of shares pro rata to the number of shares already held (primary preferential right). Shares which are not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential right). If the number of shares</p>

right). If the number of shares offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares are to be allotted pro rata to the number of shares already held and, insofar as this is not possible, by lottery.

Should the company decide to issue new shares, for cash or set-off consideration, of only series B shares shall all shareholders, irrespective of whether their shares are of series A, series B or series C, have preferential rights to subscribe for new shares in pro rata to the number of shares already held. Issue, for cash or set-off consideration, of only series A or series C shares shall not take place.

Should the company decide to, by way of a cash issue or set-off, issue warrants or convertible instruments of debt shareholders are to have preferential rights to the subscription of warrants on the same basis as that for the newly issued shares resulting from the option or have preferential rights to the subscription of convertible instruments of debt on the same basis as that for the shares that will be exchanged for the convertibles.

The aforementioned stipulation is not to constitute any restriction on the possibility to make a resolution to resolve on a new issue of shares to issue new shares, for cash or set-off consideration, with derogation from the shareholders' preferential rights.

Should the share capital be increased by way of a bonus issue shall new shares of series A, series B and series C shares be issued so that the relationship between the number of already existing shares of these series is maintained. In such cases, shares of a specific series carry entitlement to new shares of the same series.

The aforementioned stipulation is not to constitute any restriction on the possibility, fol-

offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares are to be allotted pro rata to the number of shares already held and, insofar as this is not possible, by lottery.

Should the company decide to issue new shares, for cash or set-off consideration, of only series B shares shall all shareholders, irrespective of whether their shares are of series A or series B have preferential rights to subscribe for new shares in pro rata to the number of shares already held. Issue, for cash or set-off consideration, of only series A shall not take place.

Should the company decide to, by way of a cash issue or set-off, issue warrants or convertible instruments of debt shareholders are to have preferential rights to the subscription of warrants on the same basis as that for the newly issued shares resulting from the option or have preferential rights to the subscription of convertible instruments of debt on the same basis as that for the shares that will be exchanged for the convertibles.

The aforementioned stipulation is not to constitute any restriction on the possibility to make a resolution to resolve on a new issue of shares to issue new shares, for cash or set-off consideration, with derogation from the shareholders' preferential rights.

Should the share capital be increased by way of a bonus issue shall new shares of series A and series B be issued so that the relationship between the number of already existing shares of these series is maintained. In such cases, shares of a specific series carry entitlement to new shares of the same series.

The aforementioned stipulation is not to constitute any restriction on the possibility, fol-

<p>lowing the requisite amendment in the Articles of Association, to issues shares of a new series through a bonus issue.</p> <p>A resolution regarding a new issue of shares to issue new shares, for cash or set-off consideration, that derogates from the shareholders' preferential rights shall be valid only where supported by shareholders holding at least two-thirds of both the votes cast and the shares represented at the meeting, if not the applicable law prescribes that more far-reaching conditions shall apply.</p>	<p>lowing the requisite amendment in the Articles of Association, to issues shares of a new series through a bonus issue.</p> <p>A resolution regarding a new issue of shares to issue new shares, for cash or set-off consideration, that derogates from the shareholders' preferential rights shall be valid only where supported by shareholders holding at least two-thirds of both the votes cast and the shares represented at the meeting, if not the applicable law prescribes that more far-reaching conditions shall apply.</p>
<p><b>§ 11 Current wording:</b></p>	<p><b>§ 11 Proposed wording:</b></p>
<p>Following a written request of an A-shareholder, the company shall convert the shareholder's A-shares, stated in the request, into B-shares, if not one or more of the other A-shareholders having declared that they wish to exchange B-shares to A-shares, can be assigned.</p> <p>Therefore, when a request for conversion has been submitted to the company, all other A-shareholders shall be requested in writing to within one month notify their interest, if any, to exchange B-shares to A-shares.</p> <p>If notifications are made by several A-shareholders, the A-shares that are subject for exchange shall be allocated to those who wish to exchange in proportion to their previous holdings of A-shares in the company. The remaining number of shares shall be allocated by drawing of lots.</p> <p>In the event that the remaining A-shareholders have not requested and completed an exchange of the total number of A-shares stated in the application of conversion, such remaining A-shares shall be converted to B-shares, by the company.</p>	<p>Following a written request of an A-shareholder, the company shall convert the shareholder's A-shares, stated in the request, into B-shares.</p> <p>Upon conversion, each A-share shall entitle to one B-share.</p>

<p>Following a written request of a C-shareholder, the company shall convert the shareholder's C-shares, stated in the request, into B-shares. Conversion of C-shares into B-shares may not occur before the date falling the day after the record date for the new issue of A-shares and B-shares with preferential rights for shareholders of A-shares and B-shares, which the board proposes that the extraordinary general meeting 15 February 2012 authorize the board to implement.</p> <p>Upon conversion and exchange each A-share and C-share shall entitle to one B-share.</p>	
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The amended articles of association with changes as set out above, is attached hereto as Schedule A.

*Specific majority requirement*

To be valid, the Annual General Meeting's resolution regarding amendments to the articles of association must receive support of shareholders representing at least two thirds of both the votes cast as well as the number of shares represented at the meeting, and, because of the proposed amendments to § 11, shareholders representing at least half of all series A shares in the company, and nine-tenth of the series A shares represented at the Annual General Meeting. The shareholder AB Malfors Promotor, that held 99.9 per cent of all series A shares as of 28 February 2013, has agreed to support the proposal as far as it concerns the proposed amendments to § 11.

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Cloetta AB (publ)  
Board of Directors  
March 2013