



*This is an in-house translation. In case of any discrepancies between the Swedish original and this translation, the Swedish original shall prevail.*

Attachment to item 17

## **PROPOSAL BY THE BOARD OF DIRECTORS OF CLOETTA AB (PUBL) REGARDING A RESOLUTION TO AUTHORISE THE BOARD OF DIRECTORS TO RESOLVE ON ACQUISITION OF OWN SHARES AND PROPOSAL REGARDING A RESOLUTION TO TRANSFER OWN SHARES**

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The proposal by the Board of Directors regarding a resolution to authorise the Board of Directors to resolve on acquisitions of own shares as well as the proposal regarding a resolution on the transfer of own shares as set out below is subject to the condition that the Annual General Meeting has passed a resolution on a long term share based incentive plan ("LTI 2014") in accordance with item 16 in the notice convening the Annual General Meeting.

### **A. Acquisition of own shares**

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors to, prior to the next Annual General Meeting, on one or several occasions, resolve on acquisition of the company's own shares as follows.

- A maximum of 1,773,840 B-shares may be acquired (or a higher number of shares due to recalculation as a result of a bonus issue, split, rights issue or similar actions).
- Acquisitions shall be conducted on NASDAQ OMX Stockholm at a price that is within the registered range for the share price prevailing at the time (the so-called spread), that is, the range between the highest ask price and the lowest bid price and observing the, from time to time, applicable rules set out in the NASDAQ OMX Stockholm Rule Book for Issuers. Where an acquisition is effected by a stock broker as assigned by the company, the share price may, however, correspond to the volume weighted average price during the time period within which the shares were acquired, even if the volume weighted average price on the day of delivery to the company falls outside the spread.
- Payment of the shares shall be made in cash.
- Acquisitions shall be made for the purpose to secure the company's obligations (including costs for social security fees) under LTI 2014 (as defined under item 16 in the notice to the Annual General Meeting), and other, at any time, share based incentive plans adopted by the Annual General Meeting.

### **B. Transfer of own shares**

The Board of Directors proposes that the Annual General Meeting resolves on the transfer of own shares in the company as follows.

- Not more than 1,773,840 B-shares may be transferred (or a higher number of shares due to recalculation as a result of a bonus issue, split, rights issue or similar actions).

- The shares may be transferred to participants in LTI 2014 who, under the terms for LTI 2014, are entitled to receive shares.
- Transfer of shares shall be made at the time and according to the other terms pursuant to which participants in LTI 2014 are entitled to receive shares.

The reason for deviating from the shareholders' preferential rights is that the transfer of shares is part of the execution of LTI 2014. Therefore, the Board of Director is of the opinion that the transfer of shares in accordance to the proposal is to the benefit of the company.

**Majority requirement**

A resolution in accordance with item 17 A above is valid where supported by shareholders representing at least two thirds of both the votes cast and the shares represented at the Annual General Meeting. A resolution by the Annual General Meeting in accordance with item 17 B above is valid where supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the Annual General Meeting.