

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## **The Board of Directors proposal for resolution on amendment of the Articles of Association**

The board of directors of BONESUPPORT HOLDING AB, Reg. No. 556802-2171, proposes that the annual shareholders' meeting on 22 May 2018 resolves, in order to enable issuance of series C shares under share saving programs, to incorporate a new § 6 in the company's Articles of Association in accordance with the following wording. Following the incorporation of the new section in the Articles of Association, the already existing shares shall be ordinary shares.

### **6 § Classes of shares**

*Shares may be issued in two classes, ordinary shares and series C shares. The ordinary shares shall carry one vote per share and series C shares shall carry one-tenth of a vote per share. Shares of either share class may be issued up to an amount corresponding to the full share capital.*

*Series C shares do not entitle to dividends. Upon the dissolution of the company, series C shares shall carry equivalent right to the company's assets as other shares, however, not to an amount exceeding the quota value of the share.*

*If the company resolves to issue new ordinary shares and series C shares, against payment other than contribution in kind, owners of ordinary shares and series C shares shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders for subscription (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.*

*If the company resolves to issue new shares of either solely ordinary shares or series C shares, against payment other than contribution in kind, all shareholders shall, irrespective of whether their shares are ordinary shares or series C shares, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.*

*What is set out above with regard to pre-emption rights shall apply mutatis mutandis in the event of issues of warrants and convertible bonds, and shall not limit the right to resolve upon an issue with deviation from the shareholders' pre-emption rights.*

*In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In connection therewith, the owners of existing shares of a certain class shall entitle the holder to new shares of the same class. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendments of the Articles of Association.*

*Reduction of share capital, which in any case shall not fall below the minimum share capital, may, at the request of a holder of a series C share and after resolution by the company's board of directors or a shareholders' meeting, take place through redemption of series C shares. A request from a shareholder must be submitted in writing. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if the required funds are available. The redemption amount per series C share shall be the quota value of such share.*

*Following receipt of the redemption resolution, holders of shares subject to redemption shall promptly receive payment for the shares, or, if authorization for the redemption from the Swedish Companies Registration Office (Sw. Bolagsverket) or a court is required, following the receipt of notice that the final and effected resolution has been registered.*

*Series C shares held by the company may, upon resolution of the board of directors be reclassified into ordinary shares. Immediately thereafter, the board of directors shall register the reclassification with the Swedish Companies Registration Office. The reclassification is effected when it has been registered and the reclassification been reflected in the central securities depository register.*

As a result of the incorporation of the new section, the existing sections 6 – 11 of the Articles of Association will be renumbered. Following the amendments, the Articles of Association will have the wording set out in **Appendix A**.

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The Company's CEO shall be authorized to make such minor formal adjustments of the resolution as might be necessary in connection with registration with the Swedish Companies Registration Office.

For a valid resolution, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the annual shareholders' meeting.

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Lund in April 2018  
BONESUPPORT HOLDING AB (publ)  
The Board of Directors

# ARTICLES OF ASSOCIATION

### **1 § Name**

The company's name shall be BONESUPPORT HOLDING AB. The company is a public company (publ).

### **2 § Registered Office**

The registered office of the company shall be in the municipality of Lund, county of Skåne.

### **3 § Object of business**

The company's field of activity shall be to, directly or indirectly, conduct research and development within the biomedicine field and manufacture of and trading with pharmaceuticals, medicine technical equipment and orthopaedic implants and to conduct other business compatible therewith.

### **4 § Share capital**

The share capital of the company shall be no less than SEK 18,125,000 and no more than SEK 72,500,000.

### **5 § Number of shares**

The number of shares shall not be lower than 29,000,000 and not higher than 116,000,000.

### **6 § Classes of shares**

Shares may be issued in two classes, ordinary shares and series C shares. The ordinary shares shall carry one vote per share and series C shares shall carry one-tenth of a vote per share. Shares of either share class may be issued up to an amount corresponding to the full share capital.

Series C shares do not entitle to dividends. Upon the dissolution of the company, series C shares shall carry equivalent right to the company's assets as other shares, however, not to an amount exceeding the quota value of the share.

If the company resolves to issue new ordinary shares and series C shares, against payment other than contribution in kind, owners of ordinary shares and series C shares shall have pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders

for subscription (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the company resolves to issue new shares of either solely ordinary shares or series C shares, against payment other than contribution in kind, all shareholders shall, irrespective of whether their shares are ordinary shares or series C shares, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

What is set out above with regard to pre-emption rights shall apply mutatis mutandis in the event of issues of warrants and convertible bonds, and shall not limit the right to resolve upon an issue with deviation from the shareholders' pre-emption rights.

In the event of a bonus issue, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In connection therewith, the owners of existing shares of a certain class shall entitle the holder to new shares of the same class. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendments of the Articles of Association.

Reduction of share capital, which in any case shall not fall below the minimum share capital, may, at the request of a holder of a series C share and after resolution by the company's board of directors or a shareholders' meeting, take place through redemption of series C shares. A request from a shareholder must be submitted in writing. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if the required funds are available. The redemption amount per series C share shall be the quota value of such share.

Following receipt of the redemption resolution, holders of shares subject to redemption shall promptly receive payment for the shares, or, if authorization for the redemption from the Swedish Companies Registration Office (*Sw. Bolagsverket*) or a court is required, following the receipt of notice that the final and effected resolution has been registered.

Series C shares held by the company may, upon resolution of the board of directors be reclassified into ordinary shares. Immediately thereafter, the board of directors shall register the reclassification with the Swedish Companies Registration Office. The reclassification is effected when it has been registered and the reclassification been reflected in the central securities depository register.

## **7 § Board of directors**

The board of directors, to the extent appointed by the shareholders' meeting, shall consist of not less than 3 and not more than 8 members.

## **8 § Auditors**

For the audit of the company's annual report and accounts as well as the management by the board and the managing director, a registered accounting company, or one or two auditors, with or without deputy auditors, shall be elected.

## **9 § Notice**

Notice convening a general meeting shall be made by announcement in the Swedish Official Gazette (*Sw. Post- och Inrikes Tidningar*) and by making the notice available on the company's website. It shall further be announced in *Svenska Dagbladet* that a notice has been made.

Shareholders wishing to participate in the general meetings must be listed as shareholder in a printout or other transcript of the entire share register reflecting the circumstances five weekdays before the general meeting and notify participation to the company no later than on the date specified in the notice. The last mentioned day may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday before the general meeting. A shareholder may be accompanied by advisors at a general meeting only if the shareholder notifies the number of advisors to the company in accordance with the procedure prescribed for notification of shareholders' intention to participate in the general meeting.

## **10 § Matters at the annual general meeting**

At the annual general meeting of the shareholders the following matters shall be dealt with:

1. Election of chairman of the meeting
2. Preparation and approval of voting list
3. Approval of the agenda
4. Election of one or two persons to approve the minutes
5. The question as to whether the meeting has been duly convened
6. Presentation of the annual report and auditor's report and, if applicable, the annual report for the group and the auditor's report for the group
7. Resolutions in respect of
  - a) adoption of the profit and loss statement and balance sheet and, if appropriate, the group profit and loss statement and the group balance sheet;
  - b) allocation of the Company's profit or loss in accordance with the adopted balance sheet; and
  - c) the discharge from liability of the members of the board of directors and the managing director

8. Determination of the number of members of the board and the number of auditors
9. Determination of fees to the board of directors and the auditors
10. Election of members of the board as well as election of auditors and deputy auditors
11. Other matters to be dealt with at the meeting pursuant to the Companies Act (2005:551) or the articles of association.

**11 § Financial year**

The financial year of the company shall be 1 January - 31 December.

**12 § Record day provision**

The company's shares shall be registered in a record day register pursuant to the Swedish Central Securities Depositories and Financial Instruments Act (SFS 1998:1479).

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