

Minutes taken at the Annual  
General Meeting of Morphic  
Technologies AB (publ), org.no.  
556580-2526 on May 27, 2009 in  
Karlskoga

1. Opening of the meeting

On behalf of the Board of Directors, the meeting was opened by Claes Beyer, an attorney with the law firm Mannheimer Swartling Advokatbyrå.

2. Election of a chairman for the meeting

Claes Beyer was elected chairman of the meeting (AGM Chairman).

It was noted that Johan Strömbäck, an attorney with the law firm Setterwalls Advokatbyrå, had been given the task of taking the minutes at the meeting.

3. Drawing-up and approval of the electoral register

It was noted that a transcript of the company's register of shareholders, as defined in Chapter 7, Section 28, paragraph 3 of the Swedish Companies Act, was available at the meeting.

The enclosed list of attending shareholders, proxies, assistants and other persons present (Annex 1) was drawn up and approved as electoral register at the meeting.

It was noted that 118,031,891 out of the total number of 360,514,044 shares in the company, representing 22,574,389.1 of the total number of 46,822,604.4 votes, were represented at the meeting.

It was also noted that shareholders present at the meeting, along with any proxies or assistants, who had not notified the company of their intention to attend, as well as representatives of the media and other persons present who are not shareholders were approved by the meeting to attend the meeting without the right of expression or the right to vote and on condition that they not take photographs or make audio or video recordings during the deliberations at the meeting.

4. Approval of the agenda

The proposed agenda appended to the notice of AGM (Annex 2) was presented and approved as agenda for the meeting.

5. Election of minute-checkers

It was resolved that the minutes of the meeting be checked by two persons in addition to the AGM Chairman. Thomas Ehlin, representing Nordea Fonder, and Olle Törnblom, representing the Swedish Shareholders' Association, were elected to check the minutes of the meeting.

## 6. Assessment of whether the meeting has been duly convened

It was noted that, in accordance with the company's Articles of Association and the provisions of the Swedish Companies Act, notice of AGM had been made by advertisement in *Post- och Inrikes Tidningar* and *Dagens Nyheter* on April 29, 2009 and that one copy of each of these newspapers were available at the meeting. The meeting was declared to have been duly convened.

## 7. Presentation by the Chief Executive Officer

The Chief Executive Officer, Martin Valfridsson, gave a presentation of the company's and Group's operations during the past financial year and of the strategy for the future, after which shareholders had the opportunity to pose questions to the CEO, the Directors attending the meeting and members of the management team.

## 8. Presentation of the annual report and audit report and the consolidated financial statements and consolidated audit report

The annual report and audit report and the consolidated financial statements and consolidated audit report for the financial year 2008 ([Annex 3](#)) were presented.

The floor was opened for discussion and several shareholders posed questions, which were answered by the Board and management. Olle Törnblom, representing the Swedish Shareholders' Association, Peter Enå and other persons expressed criticism of the Board with reference to the private placement that was approved on May 10, 2009, pointing to the size of the discount offered and the fact that the company had not disclosed the names of the subscribers.

Peter Enå and Kurt Dahlberg expressed reservations against the content of the Directors' Report in accordance with [Annex 4](#).

## 9. Adoption of the income statement and balance sheet and the consolidated income statement and consolidated balance sheet

The income statement and balance and the consolidated income statement and consolidated balance sheet presented to the meeting ([Annex 3](#)) were adopted.

## 10. Appropriation of profit or loss

It was resolved, as proposed by the Board, that the available retained earnings be carried forward.

## 11. Resolution on release from liability

The authorized public accountant Michael Bengtsson gave a presentation of those parts of his audit report dealing with the issue of release from liability, from it was clear that the auditor recommends that Peter Enå and Kurt Dahlberg not be released from liability but that the remaining Directors and the two Chief Executive Officers be released from liability.

Kåre Gilstring (representing Mariegården Investment AB) moved that the Directors Peter Enå and Kurt Dahlberg not be released from liability.

Olle Törnblom (representing the Swedish Shareholders' Association), Thomas Elin (representing Nordea Fonder) and Henrik Bonde (representing the Foundation for Baltic and East European Studies (Östersjöstiftelsen)), stated that they did not intend to vote for release from liability for Peter Enå and Kurt Dahlberg.

Peter Enå and Kurt Dahlberg expressed reservations against the content of the audit report in accordance with Annex 5.

Peter Enå and Kurt Dahlberg moved that the Directors Peter Ekenger, Anette Myrheim, Kjell Östergren and the Chief Executive Officer Martin Valfridsson not be released from liability.

Michael Bengtsson and several shareholders expressed further opinions on the matter.

A vote was taken on the issue of release from liability for the Directors Peter Enå, Kurt Dahlberg, Peter Ekenger, Anette Myrheim and Kjell Östergren and the Chief Executive Officer Martin Valfridsson in respect of their administration during the financial year May 1 – December 31, 2008.

Peter Enå: It was established that Peter Enå *had not been released from liability* by the meeting, since 78.26 percent of the votes cast, representing 28.255 percent of all shares in the company, were against release from liability.

Kurt Dahlberg: It was established that Kurt Dahlberg *had not been released from liability* by the meeting, since 85.80 percent of the votes cast, representing 28.250 percent of all shares in the company, were against release from liability.

Peter Ekenger: It was established that Peter Ekenger *had been released from liability* by the meeting, since 68.38 percent of the votes cast were in favor of release from liability while shareholders representing 4.885 percent of all shares in the company had voted against release from liability.

Anette Myrheim: It was established that Anette Myrheim *had been released from liability* by the meeting, since 68.33 percent of the votes cast were in favor of release from liability while shareholders representing 4.893 percent of all shares in the company had voted against release from liability.

Kjell Östergren: It was established that Kjell Östergren *had been released from liability* by the meeting, since 66.55 percent of the votes cast were in favor of release from liability while shareholders representing 4.856 percent of all shares in the company had voted against release from liability.

Martin Valfridsson: It was established that Martin Valfridsson *had been released from liability* by the meeting, since 69.60 percent of the votes cast were in favor of release from liability while shareholders representing 4.130 percent of all shares in the company had voted against release from liability.

The former Chief Executive Office Jonas Eklind *was released from liability* by the meeting by acclamation.

## 12. Presentation of the proposals of the Nominating Committee

The Chairman of the Nominating Committee, Kåre Gilstring, presented the Committee's proposed resolutions, as included in the agenda.

The Directors proposed by the Nominating Committee, Staffan Ahlberg, Jan Rynning, Henrik Bonde, Jan Alvé, Anette Myrheim and Peter Ekenger, presented themselves and gave an account of their other directorships. The Committee's Chairman gave a brief account of the background and other directorships of Bo Hedenström, whom the Committee had proposed as Director.

## 13. Resolution on the number of Directors and Deputy Directors

It was noted that the Nominating Committee had proposed that the Board of Directors during the period until the next AGM consist of seven Directors with no Deputy Directors.

Peter Enå proposed that the Board consist of five Directors with no Deputy Directors. A vote was requested and taken, in which the shareholders were asked to vote for either of the two proposals.

It was established that shareholders representing more than 50 percent of the votes at the meeting had voted for the Nominating Committee's proposal, which was thereby approved.

## 14. Resolution on Directors' fees

It was noted that the Nominating Committee had proposed that a total fee of SEK 1,650,000 be paid to the Board of Directors, of which SEK 450,000 to the Chairman of the Board and SEK 200,000 to each of the other Directors and that no fees be paid for committee work.

Peter Enå proposed that SEK 300,000 be paid to the Chairman of the Board and SEK 150,000 to each of the other Directors and that no fees be paid for committee work.

A vote was requested and taken, in which the shareholders were asked to vote for either of the two proposals.

It was established that shareholders representing more than 50 percent of the votes at the meeting had voted for the Nominating Committee's proposal, which was thereby approved.

## 15. Election of the Board of Directors

It was noted that the Nominating Committee had proposed that Staffan Ahlberg (Chairman), Jan Rynning, Bo Hedenström, Henrik Bonde, Jan Alvé, Anette Myrheim and Peter Ekenger be elected to the Board of Directors for the period until the next AGM.

Peter Enå and Kurt Dahlberg proposed that Jan Segerberg (Chairman), Harry Frank, Jan Alvé, Tommy Thalbäck and Jonas Wimmerstedt be elected and gave an account of their other directorships, in accordance with Annex 6.

A vote was requested and taken, in which the shareholders were asked to vote for either of the two proposals.

It was established that shareholders representing more than 50 percent of the votes at the meeting had voted for the Nominating Committee's proposal, which was thereby approved.

**16. Resolution on auditors' fees**

It was resolved, as proposed by the Nominating Committee, that auditors' fees be paid on the basis of approved invoices.

**17. Principles for remuneration and other employment terms for senior management**

It was also resolved to approve the Board of Directors' proposal (Annex 7) on principles of remuneration and other terms of employment for senior management.

Olle Törnblom, representing the Swedish Shareholders' Association, stated that a bonus of up to 60 percent of the fixed remuneration in accordance with the adopted principles is far too high in view of Morphic's financial position.

**18. Amendments to the Articles of Association**

It was resolved, as proposed by the Board (Annex 8), to amend the Articles of Association.

It was noted that the resolution had been passed unanimously.

The resolution is contingent on the entry into force of amendments to the Swedish Companies Act, which means that the proposed amendments to the Articles of Association are consistent with the Companies Act.

**19. Authorization for the issue of new shares**

It was noted that the Board of Directors has withdrawn its proposal on authorization for the issue of new shares and that no shareholder endorsed the proposal. The proposal has thus lapsed.

**20. Principles for a Nominating Committee for the 2010 AGM**

It was resolved to adopt the proposed principles for a Nominating Committee for the 2010 Annual General Meeting presented by the Chairman of the Nominating Committee, Kåre Gilstring (Annex 9).

**21. Conclusion of the meeting**

It was noted that no other issues had been duly notified. The meeting was declared closed.

Minute-takers:

Johan Strömbäck

Thomas Ehlin

Minutes  
checked by:

Claes Beyer  
(Chairman)

Olle Törnblom