

**BIOINVENT INTERNATIONAL AB (PUBL)
PROPOSAL BY THE BOARD OF DIRECTORS ON RESOLUTIONS
REGARDING**

A. Employee Incentive Program 2013/2017

B. Directed issue of warrants and approval of transfer of warrants to fulfill the company's commitments under the employee incentive program and to secure the social security charges

Background and motive

The Board of Directors of BioInvent International AB ("**BioInvent**") proposes that the Annual General Meeting (the "**AGM**") resolves to implement a long term incentive program in the form of an employee option program, comprising all of the employees of the Bioinvent group.

The purpose of the proposed employee incentive program – "**Employee Incentive Program 2013/2017**" – is, similarly to previous employee incentive programs, to create a structure which secures a long-term engagement among the employees of the BioInvent group, through a remuneration system that is linked to the company's future value growth. Through the implementation of a new share related incentive program, the long-term value growth of BioInvent is rewarded, which entails joint interests and goals for the company's shareholders and its employees. Such incentive program may also be expected to improve BioInvent's capabilities to recruit and keep competent employees.

Participation in Employee Incentive Program 2013/2017 presupposes that the participants remain employed in the Bioinvent group during the term of the program. The details of Employee Incentive Program 2013/2017 are outlined below.

To secure BioInvent's commitments under Employee Incentive Program 2013/2017 and the social security contributions connected therewith, the Board also proposes that the AGM resolves on a directed issue of warrants and to approve the transfer of warrants in accordance with item B below.

In view of the proposed terms set forth below, the size of the allotment and other circumstances, the Board assesses that Employee Incentive Program 2013/2017 is well-balanced and that it will be of benefit for BioInvent and its shareholders.

A PROPOSAL BY THE BOARD OF DIRECTORS ON RESOLUTION REGARDING IMPLEMENTATION OF EMPLOYEE INCENTIVE PROGRAM 2013/2017

The Board proposes that the AGM resolves to implement Employee Incentive Program 2013/2017, according to the following main principles:

1. The employee incentive program shall include a total maximum of 900,000 employee options.
2. Each employee option shall entitle the holder to subscribe for one (1) new share in BioInvent at a subscription price equivalent to 125 per cent of the volume-weighted average price paid for the company's share on NASDAQ OMX Stockholm (the "**Stock Exchange**") during the ten trading days following the 2013 AGM (the "**Subscription Price**"). The calculated Subscription Price shall be rounded off to the closest cent (*Sw. öre*), whereby 0.5 cent shall be rounded up. The Subscription Price and the number of shares that each employee option entitles the holder to subscribe for, may be subject to conversion pursuant to capitalization issue, share split, rights issue and similar actions, whereby customary conversion terms shall be applied.
3. The employee incentive program shall comprise all of the employees of BioInvent at the time of the release of the year-end report regarding the 2013 financial year (approximately 60 individuals), except for persons who at the time of the allotment have resigned or been dismissed from their employment in the BioInvent group. The Remuneration Committee determines, within the framework of the resolution of the general meeting, the number of employee options that each employee shall be allotted in accordance with the following principles, however, the Board decides the number of employee options that shall be allotted the CEO.
4. The employee options will be received based on performance during the financial years 2013, 2014 and 2015, respectively, in accordance with the following principles:

CEO:	maximum 30,000 options per year
Members of the management:	maximum 15,000 options per year
Heads of sections and other key personnel:	maximum 7,500 options per year
Other employees:	maximum 3,000 options per year

Allotment will take place in connection with the year-end report the following year.

As regards the CEO and members of the management, allotment shall be based on the same criteria as for bonus benefits, which principally are based on fixed technical milestone-criteria in projects, criteria for development of the project portfolio and other pre-determined criteria attributable to the business.

Allotment for heads of sections and other key personnel shall be based at 50 per cent on technical milestone-criteria in projects which entitle to bonus and at 50 per cent on personal performance.

Allotment for other employees shall be based on the assessment of the Remuneration Committee as regards whether and to what extent the company has fulfilled the company's general goals for development.

As regards allotment based on performance during the financial year 2013, the allotment may be proportional in relation to the period of employment during 2013.

5. The employee options shall be allotted free of charge.
6. Option holders may exercise allotted employee options as from the day of release of the company's year-end report regarding the 2016 financial year, up to and including 1 December 2017.
7. The issued employee options shall not be deemed as securities and will be non-transferable. If the option holder's employment in the BioInvent group ceases, non-exercised employee options will expire immediately and cannot thereafter be exercised (with certain customary exceptions).
8. Participation in the Employee Incentive Program 2013/2017 presupposes that such participation is legal, and that such participation, according to the assessment of BioInvent, can be made with reasonable administrative costs and economic efforts.

B. DIRECTED ISSUE OF WARRANTS AND APPROVAL OF TRANSFER OF WARRANTS TO SECURE THE COMPANY'S COMMITMENTS UNDER EMPLOYEE INCENTIVE PROGRAM 2013/2017 AND SOCIAL SECURITY CHARGES

To enable BioInvent's delivery of shares pursuant to Employee Incentive Program 2013/2017 and to secure costs connected therewith, primarily social security charges, the Board proposes that the AGM resolves on a directed issue of warrants and to approve the transfer of warrants. The Board proposes that the AGM shall resolve on the issuance of maximum 1,182,780 warrants, on the following terms:

1. Right to subscribe shall, with deviation from the preferential right for existing shareholders, reside in BioInvent's wholly owned subsidiary BioInvent Finans AB (the "**Subsidiary**").
2. Subscription of the warrants shall be made on a separate subscription list no later than 24 October 2013, with a right for the Board to resolve on a later date.
3. The warrants shall be issued free of charge.

4. Each warrant shall entitle the holder to subscribe for one (1) new share.
5. The Subscription Price per share shall be equivalent to 125 per cent of the volume-weighted average price paid for the company's share on the Stock Exchange during the ten trading days following the 2013 AGM. The calculated Subscription Price shall be rounded off to the closest cent (*Sw. öre*), whereby 0.5 cent shall be rounded up. The Subscription Price and the number of shares that each warrant entitles the holder to subscribe for, may be subject to conversion pursuant to capitalization issue, share split, rights issue and similar actions, whereby customary conversion terms shall be applied.
6. Subscription of shares in the company by virtue of the warrants shall be made no later than 15 December 2017.
7. Share issued following exercise of warrant during a certain financial year, shall entitle to dividend for the first time on the record day for dividend which occurs on the following financial year.
8. The complete terms and conditions for the warrants are set out in the "*Terms of the BioInvent Internatinal AB warrants 2013/2017*".

The reason for the deviation from the shareholders preferential right is that the issue forms part of the implementation of Employee Incentive Program 2013/2017. In view of what is set forth under item A above, the Board is of the opinion that it is to the benefit of BioInvent and its shareholders that the employees of the BioInvent group are offered to participate in Employee Incentive Program 2013/2017, and to own shares in BioInvent.

The Board further proposes that the general meeting resolves to approve that the Subsidiary transfers warrants to employees within the group or otherwise disposes of the warrants in order to secure the company's commitments and social security costs in connection with Employee Incentive Program 2013/2017.

Finally, the Board proposes that the Board, or anyone appointed by the Board, should be authorised to make such minor adjustments to the above proposal that may be necessary in connection with the registration procedures with the Swedish Companies Registration Office, and possible registration of the warrants with Euroclear.

Costs for Employee Incentive Program 2013/2017

The Board expects that Employee Incentive Program 2013/2017 will lead to costs mainly in the form of salary costs in the accounts and costs for social security charges.

In the event of a positive development of the share price, the employee incentive program will lead to costs in the form of social security charges, which will be booked regularly. At an assumed Subscription Price of SEK 3.36 and an assumed share price of SEK 7 at the exercise of the employee options, the social security charges will amount to approximately SEK 1.0 million.

Based on the assumption that 100 per cent of the employee options which form part of the program will be earned, the salary cost in the accounts pursuant to IFRS 2 is expected to amount to approximately SEK 0.7 million in total during the period 2013-2018 (based on a value per employee option of approximately SEK 0.75).

The employee options do not have a market value because they are non-transferrable. However, the Board has assessed a theoretical value of the employee options through application of the Black & Scholes valuation model for options, on the basis of an assumed unchanged share price of SEK 2.69 from the time of the proposal of the Board, and an assumed volatility of 40 per cent. Pursuant to this valuation, the value of the employee options under Employee Incentive Program 2013/2017 is approximately SEK 0.75 per employee option. The transfer restrictions have not been taken into account in the valuation.

The company's total cost for social security charges is proposed to be secured through a directed issue of warrants pursuant to item B above.

Dilution and effects on key figures

As is outlined above, Employee Incentive Program 2013/2017 includes the issuance of maximum 1,182,780 warrants, of which 900,000 warrants to secure BioInvent's commitments toward the participants in the program and 282,780 warrants to secure costs for social security charges. At full exercise of all issued warrants under Employee Incentive Program 2013/2017, and assuming that the AGM resolves on a reduction of the company's share capital into a share capital in the amount of SEK 19,959,961.14, the share capital of BioInvent will increase by SEK 319,350.60 into SEK 20,279,311.74. This corresponds to approximately 1.6 per cent of the shares and votes in the company after full exercise.

At the Annual General Meetings 2008, 2009 and 2011, an incentive program with two addendums was implemented, which principally corresponded to the terms being proposed for Employee Incentive Program 2013/2017. Both Employee Incentive Program 2008/2012 and Employee Incentive Program 2009/2012 have expired, without any employee options having been exercised. Under Employee Incentive Program 2011/2015, where the exercise price is SEK 30.24, a maximum of 55,605 employee options may be allotted. At full exercise of all 73,077 warrants which thus may be

required in view of Employee Incentive Program 2011/2015, BioInvent's share capital will be increased by an additional SEK 19,730.79.

Thus, Employee Incentive Program 2013/2017 and Employee Incentive Program 2011/2015 may in total, at full exercise and assuming that the AGM resolves on a reduction of the share capital, entail an increase of BioInvent's share capital by a maximum of SEK 339,081.39 to SEK 20,299,042.53, which corresponds to approximately 1.7 per cent of the shares and votes of the company after full exercise.

The warrants of Employee Incentive Program 2013/2017 would have affected the key figure earnings after tax per share (2012) by SEK -0.003.

Preparation of the issue

The proposal for Employee Incentive Program 2013/2017 has been prepared by the Board and its Remuneration Committee in consultation with certain larger shareholders and external advisors. The CEO has to some extent participated with opinions regarding the structure of the plan.

Majority requirements

The Board's proposal for resolution regarding Employee Incentive Program 2013/2017 and the necessary security measures connected thereto, pursuant to items A and B above form one combined proposal. Therefore, it is proposed that the resolutions of the AGM under item A and B are made as one single resolution, pursuant to the majority provisions of chapter 16 of the Swedish Companies Act, meaning that shareholders holding not less than nine-tenths of both the votes cast and of the shares represented at the general meeting must vote for the proposal.

Lund in March 2013
BIOINVENT INTERNATIONAL AB (publ)
The Board of Directors