The Board of Directors' proposal for a motion regarding remuneration guidelines for senior executives

These guidelines are valid for employment agreements entered into after the guidelines are approved by the AGM, and for amendments made afterward to existing employment agreements. The basic principle is that remuneration and other terms of employment for the management and CEO will be competitive to ensure that Genovis AB can attract and retain senior executives.

Policy for fixed remuneration

The fixed remuneration to the management and the Chief Executive Officer should be competitive and be based on the individual areas of responsibility and performance.

Policy for variable remuneration

Variable compensation will be limited and linked to predetermined measurable criteria designed to promote long-term value creation for the company. Variable compensation may not exceed a maximum of 25% percent of the fixed salary and will be set per fiscal year.

The Board will consider on a yearly basis whether or not to propose a share-related or market value-related incentive program to the Annual General Meeting. The Annual General Meeting makes the decisions regarding such incentive programs.

Conditions for non-monetary benefits, pensions, termination, and severance pay

Pensions

Management and the CEO are entitled to a defined-contribution pension.

Termination and severance pay

For the CEO the notice period is 12 months for the Company and 6 months for the individual. For management personnel the notice period is 6 months for the Company and 6 months for the individual. Moreover, assuming that the Company gave notice of termination, in certain cases the CEO may be offered 12 months of severance pay. The Board of Directors may depart from these guidelines if there are particular reasons in an individual case.

The company's undertaking in relation to senior executives and the chief executive may amount to a maximum of SEK 3 828 810 SEK.

Board of Directors' complete motion for a resolution on the issuance of warrants with the right to subscribe for new shares.

The Board of Directors of Genovis (publ) AB, corporate identity number 556574-5345, ("the Company") resolved at a Board meeting on April 11, 2014 to propose to the Annual General Meeting that the Company, in deviation from the shareholders' preferential rights, issue a maximum of 450,000 warrants (series 2014/2017) with the right to subscribe for 450,000 new shares.

Grounds for the proposal and for the deviation from shareholders' preferential rights
The Board's reason for the above proposal is that a personal long-term ownership commitment among employed key individuals can be expected to stimulate increased interest in the business and the financial performance, increase motivation and enhance a sense of loyalty to the Company.

The Board therefore believes that the offer is beneficial to the Company and its shareholders.

The warrants will be issued under the following conditions:

Entitled to subscribe
The warrants may only be subscribed, with deviation from shareholders' preferential rights, by GeccoDots AB, a wholly-owned subsidiary (the "Subsidiary") of Genovis, given that the AGM approves the resolution on the issuance.

The warrants will be issued without consideration to the Subsidiary. It is intended that the Subsidiary subsequently, on one or more occasions, will transfer the warrants to the CEO and key personnel of great value to the Company's future development ("Participants") as part of a long-term incentive program established by the Company.

For the warrants that the Subsidiary transfers to the Participants, they shall pay a premium corresponding to the prevailing market value according to an independent valuation using the Black-Scholes formula.

The Chief Executive Officer will be offered a maximum of 360,000 options. The Vice President will be offered a maximum of 90,000 options. Options not subscribed as described above will therefore not be issued.

Subscription period
Subscription must be completed no later than May 30, 2014.

Right to subscribe for new shares
Holders of warrants are entitled during the period from April 1, 2017 until June 30, 2017 for one (1) warrant to subscribe for one (1) new share in the Company, at a subscription price equal to 150 percent of the volume-weighted average price paid for the Company's shares as quoted on First North for each trading day during the period commencing on May 6 through May 19, 2014, though the subscription price must be at least the equivalent of the quota value.

Shares issued after subscription will carry the right to dividends commencing on the first dividend record date occurring immediately after the shares are included in the share register through registration with VPC.

Full terms and conditions
General terms and conditions for warrants with the right to subscribe for new shares in Genovis AB (publ) Series 2014/2017 are provided in appendix 1.

Increase in share capital
Assuming full exercise of the warrants, the share capital will increase by SEK 180,000 by issuing up to 450,000 shares, each with a quota value of SEK 0.40, subject to the increase that may be caused by conversion according to the terms and conditions of the warrants that may occur due to issues, etc. This means that upon full exercise of the proposed options, the dilution effect of the new shares would represent approximately 2.0 percent of outstanding shares and votes in the Company.

Authorization
The Board proposes that the AGM resolves that the Board or the Board designee is hereby authorized to determine the amount of the issue price in accordance with the above decision and adapt the conditions accordingly, and to otherwise make minor adjustments to the resolutions above that may be required for registration with the Swedish Companies Registration Office and Euroclear.

Majority requirement
Decisions under this proposal require support of shareholders representing at least nine tenths of both cast votes and shares represented at the Meeting.

ADDITIONAL INFORMATION

Incentive program
The Company does not have any previously outstanding value-based incentive programs.

Valuation etc.
Warrants must be acquired by the employees at market value. Valuation of the warrants shall be based on calculations using Black-Scholes option valuation performed by an independent expert. Final valuation occurs upon transfer to the employees.

With an estimated future volatility level of 30% during the term of the warrants and assuming that the value of the Company's share at the time of valuation of the warrants is SEK 4.00, the subscription price for the shares thus amounts to SEK 6.00 per share, and the value per warrant about SEK 0.47.

Expenses
The Company will incur some minor costs for establishment and administration associated with issuance of the warrants.

Impact on key performance indicators
The Company's earnings per share will not be affected by issuance of the stock option program since the current exercise price of the warrant exceeds the current market price at the time of issuance.

Upon transfer of all warrants at a price equal to the estimated value in the example above, the Subsidiary will receive an aggregate purchase price of approximately SEK 450,000. Upon full exercise of the options and assuming a subscription price of SEK 6.00, the Company will receive additional proceeds equivalent to SEK 2,700,000.

Preparation
The Board's decision to propose to the AGM to resolve on the issue of warrants and accompanying subscription of new shares was made at the Board meeting on April 11, 2014. The proposal was formulated by the Board of Directors with the assistance of external financial and legal advisors.

This document is a translation of the Swedish original. In the event of any discrepancy between this translation and the Swedish original, the Swedish version shall prevail.