

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 Nomination Committee's proposal for the annual shareholders' meeting 2019 and reasoned statement

1. Background

- 1.1 In accordance with the adopted guidelines on the annual shareholders' meeting in Polygiene AB (below "**Polygiene**" or the "**Company**") on 4 May 2018, a Nomination Committee has been appointed and announced through a press release on 11 December 2018.
- 1.2 The Nomination Committee has consisted of Mats Jacobson, representing Jonas Wollin, Mette Gross, representing Lennart Holm, Markus Lindqvist, representing Aktia Fund Management, and the Chairman of the board, Jonas Wollin.
- 1.3 Mats Jacobson has been the Chairman of the Nomination Committee.
- 1.4 The Nomination Committee shall represent the Company's shareholders in all questions which fall within the Nomination Committee's field of responsibility.
- 1.5 The Nomination Committee shall prepare and submit proposals to the annual shareholders' meeting regarding:
 - (a) the Chairman at the annual shareholders' meeting;
 - (b) the number of board members elected by the shareholders' meeting;
 - (c) the Chairman and other members of the board elected by the shareholders' meeting;
 - (d) fees and other remuneration for each of the members of the board elected by the shareholders' meeting and for members of board committees (where applicable);
 - (e) the number of auditors;
 - (f) the auditors;
 - (g) the fee for auditors;
 - (h) election of Nomination Committee, or alternatively a decision on principles for appointing a Nomination Committee, as well as instructions for the Nomination Committee; and
 - (i) remuneration to the members of the Nomination Committee (if applicable).

2. The Nomination Committee's work

- 2.1 The Nomination Committee has held three recorded meetings and has had had continuous contacts in between.

- 2.2 The Company's shareholders have been informed on the Company website, that it has been possible to submit proposals to the Nomination Committee. No such proposals have been submitted.
- 2.3 Initially, the Nomination Committee has oriented itself with regard to how the work in the board has been conducted and how it works as well as with regard to the Company's strategy and future challenges, the Nomination Committee has furthermore evaluated which competence and experience the members of the board should possess, which has served as guidance for the Nomination Committee's work.
- 2.4 The Chairman of the board has ensured that the Nomination Committee has received all relevant information on how the work has been conducted in the board during the year.

3. The Nomination Committee's proposals

- 3.1 In summary, the Nomination Committee submits the following proposals:

Item 2 – Election of Chairman of the meeting

The Nomination Committee proposes to the annual shareholders' meeting that lawyer Ola Grahn is elected as Chairman of the annual shareholders' meeting 2019.

Item 10 – Determination of the number of board members, deputies, auditors and deputy auditors

The Nomination Committee proposes to the annual shareholders' meeting that five ordinary board members, without deputies, are elected until the end of the next annual shareholders' meeting, and that one registered public audit firm, without deputy, is elected as the audit firm until the end of the next annual shareholders' meeting.

Item 11 – Determination of remuneration for the board members and the auditor

The Nomination Committee proposes to the annual shareholders' meeting that remuneration to the board members elected by the shareholders' meeting shall be paid in accordance with the following:

- SEK 225,000 to the Chairman of the Board (unchanged since previous year); and
- SEK 125,000 to each of the other board members (unchanged since previous year).

The Nomination Committee proposes that remuneration to the auditor shall be paid in accordance with customary norms and approved invoice.

Item 12 – Election of board members and auditor

The Nomination Committee proposes that Jonas Wollin, Martin Kössler and Daniel Röme are re-elected as ordinary board members and that Ebba Fåhraeus and Håkan Lagerberg are elected as

new ordinary board members. The Nomination Committee proposes re-election of Jonas Wollin as Chairman of the board.

The present board members Lennart Holm, Jonas Sjögren and Daniel Oelker have declined re-election.

Ebba Fåhraeus, born 1963, is an analytical and pro-active business developer with international experience in the areas of marketing and business development at a strategic level in listed companies. With a degree in Business Administration from Stockholm School of Economics as a foundation, Ebba Fåhraeus has extensive experience from B2B as well as B2C. She is a board member of a number of small and medium-sized companies, of which the majority are within the Life Science sector, where she contributes with her competence within growth strategies, business development and communication. Ebba Fåhraeus is also a member of the Faculty of Medicine's board of Lund University. Ebba Fåhraeus holds no shares in the Company. Ebba Fåhraeus is considered to be independent in relation to the Company and its senior management as well as in relation to major shareholders.

Håkan Lagerberg, born 1968, has extensive experience from leading positions in private and public companies, inter alia within international sales, marketing and negotiation, both operationally and strategically. Håkan Lagerberg also has reputable market and investor contacts. Håkan Lagerberg's education include international Master of Laws degree (LLM) from Lund University and International Trade Law from the University of Torino in Italy. Håkan Lagerberg is currently CEO and board member of Swedencare AB (publ), listed on Nasdaq First North since 2016. Håkan Lagerberg is inter alia Chairman of the board of One CC AB and board member of HAOLAG AB and Mastan AB. Håkan Lagerberg holds indirectly through company 1,485,098 shares in the Company. Håkan Lagerberg is considered to be independent in relation to the Company and its senior management as well as in relation to major shareholders.

The Nomination Committee proposes that Grant Thornton Sweden AB is re-elected as auditor. Grant Thornton Sweden AB has informed that Per Kjellander will continue to be appointed as the responsible auditor.

Item 13 – Instruction and charter for the Nomination Committee

The Nomination Committee's proposal for the annual shareholders' meeting 2019 on guidelines for appointing members of the Nomination Committee and on the Nomination Committee's assignment can be found in the separate documentation to the annual shareholders' meeting.

4. The Nomination Committee's reasoned statement regarding the proposal for board of directors

- 4.1 The Company has undergone major changes in its management and main shareholders during the period. The Nomination Committee has made the assessment that the board of directors needs to be renewed and become more efficient when the Company now enters a more mature growth phase. Competences within textiles, innovation and technology are deemed to be secured by existing board members. However, according to the Nomination Committee's

assessment, experiences in international sales and market expansion as well as investor relations (IR) need to be further strengthened.

- 4.2 In the light of that the present ordinary board members Lennart Holm, Jonas Sjögren and Daniel Oelker have declined re-election and the Nomination Committee's assessment that the board of directors needs to be renewed and become more efficient, the Nomination Committee has evaluated a number of candidates and has sought for profiles with extensive experience within internationalization, entrepreneurship, growth strategies and IR. After an evaluation of suitable candidates, the Nomination Committee has resolved to propose Ebba Fåhraeus and Håkan Lagerberg as new ordinary board members. The Nomination Committee considers that the proposed board members will provide valuable supplementary knowledge and experience to the board of directors.
- 4.3 The proposed board is, with regard to the Company's activity, stage of development and other conditions in general, considered as an adequate board composition in relation to the qualifications, experience and background of the proposed board members. The Nomination Committee therefore considers the proposed board composition to be adequate in order to meet the needs which the Company is facing and will be facing in relation to the Company's activity.
- 4.4 Information on Ebba Fåhraeus and Håkan Lagerberg is presented above. Information on the board members who are proposed for re-election can be found at the Company's website, www.polygiene.com.

Malmö in April 2019

Polygiene AB (publ)

The Nomination Committee