

*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.*

**Proposal by the Board of Directors of Ferronordic Machines AB for the annual general meeting 2015 concerning repurchase of warrants 2013/2016**

The Board proposes that the annual general meeting resolve that the company shall offer the holders of warrants 2013/2016 to repurchase the issued warrants. The repurchase price would correspond to the amount that the holders have paid for the warrants, i.e. in total EUR 61,306.

The warrants 2013/2016 were issued in 2013 to selected executives as a long-term incentive program in anticipation of a listing of the ordinary shares in the company on NASDAQ OMX Stockholm. Since a listing of the company's ordinary shares has been postponed, the Board is of the opinion that the issued warrants no longer fulfill the requirements of a suitable long-term incentive program for the company's senior executives. The Board instead intends to prepare an alternative long-term incentive program for the group's executives.

The Board further proposes that each of Anders Blomqvist and Henrik Carlborg be authorized, on behalf of the company, to sign offers, agreements and other documents that may be required in order for the company to be able to repurchase the said warrants.

Stockholm in April 2015

The Board of Directors of Ferronordic Machines AB (publ)