

Communiqué from the Extraordinary General Meeting of Morphic Technologies AB (publ)

At the extraordinary general meeting of Morphic Technologies AB (publ), held on Monday March 3, 2008, in accordance with the proposal put forward by the Board, it was decided to introduce a new option program.

The option program means that the Company is able to issue a maximum of 4,500,000 options. It will be possible to issue the options in two series – employee options and “synthetic” options. The Board must decide on the distribution of the number of options between the two series.

Every employee option shall give entitlement, during the period March 1 – May 31, 2013, to acquire one new B-share at a rate corresponding to 110 % of the volume-weighted average rate for Morphic B-shares during the period March 4 – 17, 2008. Every synthetic option shall confer entitlement to a cash sum equivalent to the difference between the rate for exercising an options contract (which is the same as for the employee option) and the volume-weighted average rate for Morphic B-shares during the period May 15 – 31, 2013.

To guarantee the company's obligations with regard to stock options issued and its obligation to pay social fees, it was decided that a stock issue of 6,000,000 subscription options should be made to a wholly-owned subsidiary. Each subscription option entitles the holder to subscribe for one B-share on terms that correspond to the options issued to employees.

The right to exercise the options must be combined with a performance condition linked to the Group's turnover and trading margin. There is a right to exercise options if Group turnover during calendar year 2012 amounts to at least SEK 3 billion with a trading margin of at least 10 %. To ensure that the performance terms are met in full – involving a right to be allowed to exercise all allocated options – Group turnover in calendar year 2012 must amount to at least SEK 10 billion with a trading margin of at least 15 %.

Options shall be allocated, free of charge, to senior executives and other key people within Group companies and associated companies in Sweden and abroad, taking into account factors such as the employees' salary level, experience and position within the company. It is proposed that the Group CEO should be allocated 1,000,000 employee options.

If all 6,000,000 subscription options are issued and exercised for subscription to 6,000,000 shares within the framework of the option program, the newly issued shares will be equivalent to approx 3.8 % of share capital.

Further information is available in the meeting documentation, which is available on the company's homepage www.morphic.se.

For further information please contact:

Johannes Falk, Information Manager, Morphic Technologies AB

Tel.: +46 (0)70-676 7393, E-mail: johannes.falk@morphic.se

Morphic Technologies is a Swedish manufacturer of energy systems based on renewable electricity production and resource-efficient technologies for large-series components production. The company conducts operations in Sweden (Karlskoga, Filipstad, Stockholm and Kristinehamn), Switzerland, Greece and Italy. The company's B shares are traded on the Stockholm Stock Exchange's First North marketplace, with Remium Securities as Certified Advisor. More information on the company is available at www.morphic.se.