

These terms and conditions are a translation into English of the original Swedish language version. In the event of any difference, the Swedish version shall govern.

## **APPENDIX 1 b**

### Terms and conditions for Elekta AB's Warrants 2005/2009

#### **§1 Definitions**

As used in these terms and conditions, the following terms shall have the meanings set forth below.

*"bank day"*

a day which is not a Sunday or other public holiday or, with respect to the payment of promissory notes, is not deemed to be the equivalent of a public holiday in Sweden;

*"Company"*

Elekta AB (publ), registration no. 556170-4015;

*"warrants"*

the right to subscribe for shares of class B in the Company in exchange for payment in cash pursuant to these terms and conditions;

*"subscription"*

the subscription of new shares in the Company as referred to in Chapter 5 of the Swedish Companies Act;

*"subscription price"*

the price at which subscription for new shares in the Company may take place;

*"VPC"*

VPC AB (the Swedish Securities Register Centre);

#### **§ 2 Warrants and registration**

The number of warrants shall be no more than 2,185,000.

### **§ 3 Option certificate**

The Company will issue option certificates to the holder.

The Company will, on demand of the warrant holder, execute the exchange of option certificates.

### **§ 4 Right to subscribe for new shares**

Holder of warrant shall have the right to subscribe for one new share of class B in the Company at a subscription price of [sum]\* per share, each share at nominal value of SEK 2. Re-calculation of the subscription price, as well as the number of new shares which each warrant entitles to subscribe for, may take place in the circumstances set forth in section 9 below. Subscription may only be made in respect of the entire number of shares to which the total number of warrants entitles to, which is registered by a certain institution managing the account, and which a single warrant holder wishes to exercise simultaneously.

### **§ 5 Application for subscription**

Application for subscription for shares of class B may be made during the period commencing 1 November 2005, up to and including 31 July 2009.

The application for subscription is made in a written notification to the Company, wherein the number of shares that the holder wishes to subscribe for is stated. In conjunction with such notification must the option certificate that represents the number of warrants that the holder wishes to subscribe also be submitted to the Company. Applications for subscription are binding and may not be revoked by the applicant.

If notification of subscription is not made within the period of time stated in the first paragraph, every right according to the warrants is terminated.

### **§ 6 Payment**

At notification of subscription payment shall be made at once in money for the number of shares that notification of subscription concerns. Payment shall be made in cash to an account appointed by the Company.

### **§ 7 Registration in the share register**

Following subscription the new shares will be registered in the Company's share register as interim shares. Following registration by the Patent and Registration Office, registration in the share account becomes final. As is specified in section 9 below, the time for such final registration may be postponed in certain circumstances.

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\* The subscription price per share will be determined according to the board's of directors proposal, i.e. 105% of the average closing price per share on Stockholmsbörsen (Stockholm Stock Exchange), during the ten business days following the general meeting of shareholders (however not below the nominal value of the share and with adjustment in the event the shares are traded during the period stated before resolved split has been effectuated).

**§ 8 Dividends in respect of new shares**

Shares which are issued upon subscription and registered in the share register shall entitle the holders to participate in payments of dividends for the first time on the record date for dividends after the subscription has been executed.

**§ 9 Re-calculating the subscription price**

The following shall apply with respect to the rights which shall belong to warrant holders in the circumstances set forth in Chapter 5, § 4, first paragraph, subsection 8 of the Companies Act (1975:1385) as well as in certain other circumstances:

- A. Where the Company carries out a *bonus issue of shares*, subscription shall – if the application for subscription is made at such time that it cannot be executed at the latest on the tenth day prior to the shareholders’ meeting to decide upon the bonus issue – be carried out only after the shareholders’ meeting has resolved to carry out the bonus issue. A share which is issued as a consequence of subscription executed after such a resolution, shall be registered on an interim basis in the share account and shall not entitle the holder to participate in the bonus issue. Final registration in the share account shall take place only after the record date for the bonus issue.

In conjunction with subscriptions which are executed after the bonus issue resolution, a re-calculated subscription price as well as a re-calculated number of shares which each Warrant shall entitle the holder to subscribe for shall apply. Re-calculations shall be made by the Company in accordance with the following formulas:

$$\begin{array}{l} \text{re-calculated number of shares} \\ \text{which each warrant entitles to} \\ \text{subscribe for} \end{array} = \frac{\begin{array}{l} \text{the previous number of shares} \\ \text{which each warrant entitled to} \\ \text{subscribe for} \times \text{the number of} \\ \text{shares after the bonus issue} \end{array}}{\begin{array}{l} \text{the number of shares prior to the} \\ \text{bonus issue} \end{array}}$$

$$\begin{array}{l} \text{the re-calculated subscription price} \end{array} = \frac{\begin{array}{l} \text{the previous subscription price} \times \\ \text{the number of shares prior to the} \\ \text{bonus issue} \end{array}}{\begin{array}{l} \text{the number of shares after the} \\ \text{bonus issue} \end{array}}$$

- B. If the Company undertakes a *reverse share split* or a *share split*, subsection A above shall apply *mutatis mutandis*, whereupon the record date shall be deemed to be the date on which the reverse share split or share split is effected at VPC upon request by the Company.

- C. If the Company carries out a *new issue of shares* - with a preferential right for shareholders to subscribe for new shares in exchange for cash payment - the following shall apply with respect to the right to participate in the issue for shares which are issued pursuant to the exercise of warrants:

1. Where the board of directors resolves to carry out the issue, contingent upon the approval of the shareholders' meeting or pursuant to authorisation by the shareholders' meeting, the resolution to carry out the issue and the public notice of the resolution shall set forth the last date on which subscription shall be executed in order that shares, which are issued as a consequence of such subscription, shall entitle the holders to participate in the issue. Such date may not be earlier than ten calendar days after the publication of the notice.
2. Where the resolution to carry out the issue is adopted by the shareholders' meeting, subscriptions – for which application is made at such time that the subscription cannot be executed on or before the tenth calendar day prior to the shareholders' meeting which decides upon the issue – shall be executed only after the Company has effected re-calculation in accordance with the penultimate paragraph of this subsection C. Shares which are issued as a consequence of such subscription shall be registered on an interim basis in the share account and shall not entitle the holders to participate in the subscription.

Where subscription is made at such time that no right to participate in the new issue arises, a re-calculated subscription price as well as a re-calculated number of shares which each warrant entitles the holder to subscribe for shall apply. Re-calculations shall be made by the Company in accordance with the following formulas:

re-calculated subscription price = 
$$\frac{\text{the previous subscription price} \times \text{the average exchange price of the share during the subscription period set forth in the issue resolution (average share price)}}{\text{the average share price increased by the theoretical value of the warrant calculated on the basis thereof.}}$$

re-calculated number of shares which each warrant entitles to subscribe for = 
$$\frac{\text{the previous number of shares which each warrant entitled to subscribe for} \times (\text{the average exchange price of the share increased by the theoretical value of the warrant calculated on the basis thereof})}{\text{the average share price.}}$$

The average share price shall be deemed to correspond to the average for each trading day during the subscription period of the calculated mean value of the highest and lowest price paid on the official price list of Stockholmsbörsen (Stockholm Stock Exchange). In the absence of a quoted paid price, the final bid price shall form the basis for the calculation. Days when no paid price or bid price is quoted, shall be excluded from the calculation.

The theoretical value of the warrants shall be calculated according to the following formula:

The value of a warrant =  $\frac{\text{the maximum number of new shares which may be issued pursuant to the issue resolution} \times (\text{the average share price} - \text{the issue price for the new share})}{\text{the number of shares prior to the issue resolution}}$

In the event that a negative value is arrived at in the above-stated calculation, the theoretical value of the warrant shall be deemed to be zero.

The re-calculated subscription price and the re-calculated number of shares as set forth above shall be determined by the Company two banking days after the expiration of the subscription period and shall apply to purchases executed thereafter.

During the period until the re-calculated subscription price and re-calculated number of shares are determined, subscription shall only be executed on a preliminary basis, whereupon the full number of shares according to the not yet re-calculated number of shares will be registered in the share account on an interim basis. In addition, a special note shall be recorded to the effect that the warrant may entitle the holder to additional shares pursuant to the re-calculated number of shares. Final registration in the share account shall be effected following the determination of the re-calculations.

- D. Where the Company carries out – with preferential rights for the shareholders and in return for cash payment – an *issue of convertible debentures* or *convertible debentures combined with warrants for subscription of new shares*, provisions set forth in subsection C, item 1 and 2 will apply *mutatis mutandis*, concerning the right to participate in the new share issue

Where subscriptions are made at such time that no right to participate in the new issue arises, a re-calculated subscription price as well as a re-calculated number of shares which each warrant entitles the holder to subscribe for shall be applied. Re-calculations shall be made by the Company in accordance with the following formulas:

re-calculated subscription price =  $\frac{\text{previous subscription price} \times \text{the average share price during the subscription period set forth in the resolution approving the issue (average share price)}}{\text{the average share price increased by the value of the warrant}}$

re-calculated number of shares which each warrant entitles to subscribe for =  $\frac{\text{previous number of shares which each warrant entitles to subscribe for} \times (\text{the average share price increased by the value of the warrant})}{\text{average share price}}$

The average share price is calculated in accordance with the provisions set forth in subsection C. above.

The value of the warrant shall be deemed to correspond to the average for each trading day during the subscription period of the calculated mean value of the highest and lowest

price paid on the official price list of Stockholmsbörsen (Stockholm Stock Exchange). In the absence of a quoted paid price, the final bid price shall form the basis for the calculation. Days when no paid price or bid price is quoted, shall be excluded from the calculation.

The re-calculated subscription price and the re-calculated number of shares as set forth above shall be determined by the Company two banking days after the expiration of the subscription period and shall apply to purchases made after such time.

In relation to subscriptions effected during the period until the re-calculated subscription price and re-calculated number of shares have been determined, the provisions set forth in the final paragraph of subsection C. above shall apply *mutatis mutandis*.

- E. In the event the Company, under circumstances other than those set forth in subsections A – D above, directs *an offer to the shareholders*, with a preferential right pursuant to the principles set forth in Chapter 4, section 2 of the Swedish Companies Act, to purchase securities or rights of any kind from the Company, or where the Company resolves, pursuant to the above-stated principles, to distribute to its shareholders such securities or rights without consideration, shall, with respect to subscriptions requested at such a time that the thereby acquired shares do not carry rights to participate in the offer, a re-calculation be made of the subscription price as well as the number of shares which each warrant entitles to. The re-calculation shall be made by the Company in accordance with the following formulas:

$$\text{re-calculated subscription price} = \frac{\text{previous subscription price} \times \text{the average share price during the notice period set forth in the resolution approving the issue}}{\text{(the average share price)}} \\ \text{average share price increased by the value of the right to participate in the offer (the value of the purchase right)}$$

$$\text{re-calculated number of shares which each warrant entitles to purchase} = \frac{\text{previous number of shares which the warrant entitled to purchase} \times \text{(the average share price increased by the value of the purchase right)}}{\text{average share price}}$$

The average share price is calculated in accordance with the provisions set forth in subsection C. above.

In the event the shareholders received purchase rights and trading in such rights has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase right. The value of the purchase right in such circumstances shall be deemed to correspond to the average during the notice period of the calculated mean values for each trading day of the highest and lowest prices paid on the official price list of Stockholmsbörsen (Stockholm Stock Exchange). In the event no paid price is quoted, the bid price quoted as the closing price shall form the basis of such calculation. Days when no paid price or bid price is quoted, shall be excluded from such calculation.

In the event the shareholders have not received purchase rights or where such trading in purchase rights mentioned in the first paragraph has otherwise not taken place, re-

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calculation of the subscription price and number of shares shall take place, thereby applying, to the greatest extent possible, the principles set forth above in this subsection E, whereupon the following shall apply. If the securities or rights which are offered to the shareholders are listed, the value of the right to participate in the offer shall be deemed to correspond to the average of the calculated mean values, for each trading day during a period of 25 trading days commencing on the first day for listing, of the highest and lowest price paid during the said day, for transactions in these securities or rights on Stockholmsbörsen (Stockholm Stock Exchange), where applicable decreased by any consideration paid for such securities or rights in connection with the offer. In the event no paid price is quoted, the bid price quoted as the closing price shall form the basis of such calculation. Days when no paid price or bid price is quoted, shall be excluded when calculating the value of the right to participate in the offer. The subscription period set forth in the offer shall, when re-calculating the subscription price and the number of shares according to this paragraph, be considered as corresponding to the above mentioned period of 25 trading days. Where no such listing takes place, the value of the right to participate in the offer shall, to the greatest extent possible, be based upon the change in the market value of the Company's shares, which may be deemed to have occurred as a consequence of the offer. The subscription price and number of shares re-calculated in accordance with the above shall be determined by the Company as soon as possible after the expiration of the offer and shall be applied on subscriptions which are effected after such determination.

In relation to subscriptions which are effected during the period until the re-calculated subscription price and re-calculated number of shares have been determined, the provisions set forth in the final paragraph of subsection C above shall apply *mutatis mutandis*.

- F. Where the Company carries out – with preferential rights for the shareholders and in return for cash payment – an *issue of convertible debentures* or *convertible debentures combined with warrants for subscription of new shares* – the Company is entitled to decide that all warranty holders are entitled to the same preferential right that is bestowed upon the shareholders. In this conjunction the warranty holders, disregarding that subscription has not been made, will be considered as owners of the number of shares that the warranty holder would have received if the subscription had been executed before the issue. The circumstance that the warranty holder would have received an additional cash payment will not be considered.

If the Company directs such an offer intended in subsection E, above, to the employees, the provisions set forth in previous paragraph will apply *mutatis mutandis*.

If the Company was to give the warranty holders preference, in accordance to the provisions set forth in subsection F, re-calculation of the subscription price or of the number of shares that the warrant entitles to, according to subsections C, D or E, shall not be made.

- G. If a *cash dividend to shareholders* is resolved such that the shareholders receive, combined with other dividends paid during the same fiscal year, a total dividend exceeding 10 percent of the average price of the share during a period of 25 trading days immediately preceding the day on which the board of directors announced its intention to propose that the general meeting of shareholders approve such a dividend, a re-calculation of the subscription price, and the number of share each warrant entitles the

holder to subscribe for, shall be made regarding subscriptions requested at such a time, that the shares thereby received do not carry rights to receive such dividend. The re-calculation shall be based upon such part of the total dividend which exceeds 10 percent of the average price of the shares during the above mentioned period (extra-ordinary dividend). The re-calculation shall be made by the Company in accordance with the following formula:

$$\text{re-calculated subscription price} = \frac{\text{previous subscription price} \times \text{the average share price during a period of 25 trading days calculated from the day on which the share is listed without any right to extra-ordinary dividend (the average share price)}}{\text{average share price increased by the extra-ordinary dividend paid per share}}$$

$$\text{re-calculated number of share which each warrant entitles to subscribe for} = \frac{\text{previous number of shares which each warrant entitles to subscribe for} \times (\text{the average share price increased by the extra-ordinary dividend paid per share})}{\text{average share price}}$$

The average share price shall be deemed to correspond to the average during the period of 25 trading days set out above of the calculated mean value for each trading day of the highest and lowest price paid on the official price list of Stockholmsbörsen (Stockholm Stock Exchange). In the event no paid price is quoted, the final bid price shall form the basis of the calculation. Days when no paid price or bid price is quoted, shall be excluded from the calculation.

The re-calculated subscription price and the re-calculated number of shares, as set forth above, shall be determined by the Company two banking days after the expiration of the period of 25 trading days set out above and shall apply to subscriptions executed thereafter.

- H. In the event the Company's share capital is *reduced through a repayment to the shareholders*, that is compulsory, a re-calculation of the subscription price and a re-calculation of the number of shares that each warranty entitles to shall be made. The re-calculation shall be made by the Company in accordance with the following formulas:

$$\text{re-calculated subscription price} = \frac{\text{previous subscription price} \times \text{the average share price during a period of 25 trading days calculated from the day on which the share is listed without any right to participate in the distribution (the average share price)}}{\text{average share price increased by the amount repaid per share}}$$

$$\text{re-calculated number of shares which each warrant entitles to subscribe for} = \frac{\text{previous number of shares which the warrant entitles to subscribe for} \times (\text{the average share price of the share increased by the amount repaid per share})}{\text{average share price}}$$

average share price

When re-calculating according to above and when the share capital is reduced through a redemption of shares, a repayment according to the calculation below shall be used, instead of the actual amount that has been repaid per share.

calculated repayment per share = 
$$\frac{\text{the actual amount that has been repaid per redeemed share reduced by the shares average share price during a 25 day period following the day when the share was listed without the right to participate in the reduction (the average share price)}}{\text{the number of shares in the Company that serves as basis for the redemption of shares reduced with the number 1.}}$$

The average share price is calculated in accordance with the provisions set forth in subsection C above.

The re-calculated subscription price and re-calculated number of shares, pursuant to the above, shall be determined by the Company two banking days after the expiration of the above-stated period of 25 trading days, and shall apply to subscriptions made after such time. Subscriptions shall not be executed during the period commencing with the adoption of the resolution to reduce the share capital up to and including the day on which the re-calculated subscription price and re-calculated number of shares is determined.

For subscriptions that are executed during the period until the re-calculated subscription price has been determined, provisions set forth in subsection C, last paragraph, is applicable, *mutatis mutandis*.

If the Company's share capital is reduced through a non compulsory redemption of shares with repayment to the shareholders, or if the Company – when no reduction of the share capital is made – would execute a repurchase of own shares, but the circumstances, when considering the technical design and economic consequences, makes it comparable with a compulsory reduction, a re-calculation of the subscription price shall be made, applying the principles set forth in subsection H, to the extent possible.

- I. Upon re-calculation pursuant to the above, the subscription price shall be rounded to the nearest 10 öre, whereupon 5 öre shall be rounded upwards
- J. In the event it is resolved that the Company shall enter into liquidation application for subscriptions may not thereafter be made regardless of the reasons for such liquidation. The right to apply for subscription shall terminate immediately upon the entry of an order placing the Company in liquidation, notwithstanding that such order may not be final.

Not later than two months prior to the adoption of a resolution by the shareholders' meeting in respect of whether the Company shall be placed into liquidation pursuant to Chapter 13, section 1 of the Swedish Companies Act, the warrant holders shall be notified of the intended liquidation pursuant to § 10 below. Such notice shall contain a

reminder that subscription for new shares may not be made following the adoption of a final resolution in respect of a liquidation.

In the event the Company gives notice of the intended liquidation pursuant to the above, the warrant holders shall - notwithstanding the provisions set forth in § 5 regarding an earlier point in time for making applications for subscription - be entitled to apply for subscription commencing on the day on which the notice is given, provided that subscription may be effected not later than the tenth calendar day prior to the shareholders' meeting at which the resolution regarding the liquidation of the Company shall be addressed.

- K. In the event the shareholders' meeting, pursuant to Chapter 14, section 10 of the Swedish Companies Act, approves a merger plan pursuant to which the Company shall be merged into another company, applications for subscription may not be made thereafter.

Not later than two months before the Company adopts a final position regarding a merger as set forth above, the warrant holders shall be notified pursuant to § 10 above of the merger plans. Such notice shall contain a summary of the principal contents of the intended merger plan and the warrant holders shall be reminded that applications for subscription may not be made after a final resolution has been adopted regarding a merger in accordance with the provisions set forth in the preceding paragraph.

In the event the Company gives notice of a planned merger in accordance with the preceding provisions, the warrant holders shall - notwithstanding the provisions set forth in § 5 regarding an earlier point in time for making applications for subscription - be entitled to apply for subscription commencing on the day on which the notice of the merger plans is given, provided that subscription may be effected not later than the tenth calendar day prior to the shareholders' meeting at which the agreement regarding the merger of the Company into another company is to be approved pursuant to Chapter 14, section 10 of the Swedish Companies Act.

- L. The following shall apply in the event the Company's board of directors decides in a merger plan pursuant to Chapter 14, section 22 of the Swedish Companies Act or where the Company's shares are subject to *compulsory redemption* pursuant to Chapter 14, sections 31-35 of the above-stated Act or other similar company law legislation.

Where a Swedish company owns all of the shares in the Company and where the Company's board of directors makes public its intention to decide a merger plan in accordance with the legislation referred to in the preceding paragraph, the Company shall, in the event that the final day for application for subscription pursuant to § 5 above occurs after such information is made public, determine a new final date for application for subscription (expiration date). The above-stated expiration date shall occur within 60 days of the day on which the information was made public.

In the event a shareholder (majority shareholder), alone or together with its subsidiaries, owns shares to such extent of all shares of the Company that the majority shareholder, according to applicable law, may request compulsory redemption of remaining shares and publish the majority shareholder its intention to request such compulsory redemption the provisions set forth in the preceding paragraph relating to the expiration date shall apply *mutatis mutandis*.

Where the information has been made public in accordance with the provisions set forth above in this subsection, the warrant holders shall - notwithstanding the provisions set forth in § 5 regarding an earlier point in time for making applications for subscription - be entitled to apply for subscription until the expiry date. Not later than four weeks prior to the expiration date, the Company shall notify the warrant holders, pursuant to § 10 below, of such right and that applications for subscription may not be made after the expiry date.

- M. Notwithstanding what is stated in subsections J, K and L. above to the effect that applications for subscriptions may not be made after a resolution to place the Company in liquidation, approve a merger plan, or the close of a new expiry date, the right to apply for subscription shall be reinstated where the liquidation is terminated or where the merger plan is not executed.
- N. In the event the Company is placed into *insolvent liquidation*, application for subscription may not thereafter be made. Where, however, the order placing the Company in insolvent liquidation is cancelled by a court of higher instance, applications for subscription may thereafter be made.
- O. If the Company takes steps intended above and, according to the assessment of a independent party, the re-calculation formula would not due to its technical design or other aspects have consequences such as that the economic compensation received by the warrant holder is unreasonable in comparison with the share holders, an independent party shall, under the prerequisite that the board of directors of the Company approves in writing thereto, carry out the re-calculation in a way that an independent party find appropriate in order to achieve that the re-calculation gives a reasonable result. In similar way shall an independent party, under the prerequisite that the board of directors approves in writing thereto, carry out the re-calculation when the Company takes measures which, according to above, would not entail a re-calculation and when such measures would have unreasonable economic consequences for the warranty holders or for the share holders.

## § 10 Notices

Warranty holders are obligated to, without delay, provide name and address to the Company for registration in the Company's register of warranty holders.

Notices concerning the warrants will be made by mail, to the warrant holders at the address that has been latest known by the Company, or by notice in a daily newspaper, published in the country.

A letter that has been sent as registered letter, is assumed to have been received by the warrant holder three days from the consignment.

**§ 11 Covenant by the Company**

The Company covenants not to undertake any measure described in § 9 above that would result in an adjustment of the subscription price to an amount less than the nominal value of the Company's shares.

**§ 12 Changes of Terms and Conditions**

The Company shall be entitled to decide upon changes in the terms of these warrants insofar as such changes are required by legislation, court decisions or decisions of public authorities, or if, in the opinion of the Company, such action is otherwise appropriate or necessary for practical reasons and the warrant holders' rights are in no respect adversely affected.

**§ 13 Force Majeure**

In matters concerning obligations bestowed upon the Company, the Company is not liable for damages depending on statutory provisions, steps taken by public authority, incident of war, strike, blockade, boycott, lockout or other similar circumstances. The restriction concerning strike, blockade, boycott and lockout is applicable even though the Company itself initiate, or is subject to, such industrial action.

Damage that can occur in other cases, will be compensated by the Company only when caused by gross negligence by the Company.

If any obstacle for the Company to take measures according to these terms is at hand, depending on circumstances stated in the first paragraph, the Company can postpone such measures until the obstacle is no longer at hand.

**§ 14 Governing law**

The warrants, and any associated legal issues, shall be governed by the laws of Sweden. Legal proceedings regarding the these terms and conditions shall be decided through arbitration according to Stockholms Handelskammars Skiljedomsinstitut (Stockholm's chamber of commerce's institute for arbitration) rules for arbitration

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