

Nomination Committee's report

In accordance with authorization received from the 2008 Annual General Meeting, the Chairman of the Board, Mats Olsson, asked representatives of the three largest shareholders in terms of voting rights to join him in forming the Nomination Committee ahead of the 2009 Annual General Meeting. In a press release dated March 17, 2009, the company disclosed the composition of the Nomination Committee and the shareholders represented by the members. Hakon Invest appointed Fredrik Hägglund its member, Industrivärden appointed Carl-Olof By and a consortium of shareholders are represented by Per Larsson. Fredrik Hägglund was appointed Chairman of the Nomination Committee as the representative of the largest shareholder of the company. Information on how shareholders can submit proposals to the Nomination Committee has been available on the company's website since March 17, 2009.

The Nomination Committee held four physical meetings and one telephone meeting, with the first meeting held in May 2009, at which the Committee's continued work was also planned. This was also the meeting at which the Chairman of the Board reported his evaluation of Hemtex's Board of Directors and Board Members. At subsequent meetings, the Nomination Committee met with the proposed Board Members and with the company's President, Göran Ydstrand, and CFO, Tommy Svensson, who provided their opinions on the company's future strategy and their work with the Board.

The Nomination Committee discussed the fundamental requirements that must be met by the Board Members, particularly in terms of the competencies that are important to the company's future strategy and the requirement of having independent members. The issue of a more even gender distribution was highlighted.

During the course of the Nomination Committee's work, Hakon Invest's public takeover offer for the company was presented. The Nomination Committee finalized its proposals for the Annual General Meeting after the outcome of the offer became known. Following its offer and purchases of shares via the stock market, Hakon Invest holds a participating interest of 68.3%, which means that the company has to be consolidated since it has become a subsidiary of Hakon Invest. This circumstance has been taken into account in the Nomination Committee's proposals to the Annual General Meeting.

The Nomination Committee proposes that the Board of Directors comprise six Board Members without any deputies. The Nomination Committee proposes that the following be re-elected Board members: Mats Olsson, Kia Orback Pettersson, Ingemar Charleson and Mats Holgerson. The Nomination Committee proposes that two new Board Members be elected: Meta Persdotter, President of Svenska Spel, and Per Wiberg, Board Chairman of Hemmabutikerna AB, Jetshop AB, Swedbank Göteborg Yttre and Desam AB, and Board Member of MultiQ AB, Cervera AB, Wordfinder AB and Maxi Stormarknad Skövde. The Nomination Committee proposes that Mats Olsson be elected Chairman of the Board. It is proposed that fees to the Board of Directors and Committees remain unchanged compared with the preceding year. In this context, the Nomination Committee has taken into consideration such issues as the trends in Directors' fees in comparable companies, the company's financial position and events in the financial market. The Nomination Committee's proposal of auditors is the registered public accounting firm Ernst & Young AB for a period of four (4) years. It is proposed that fees be paid to the auditors on a current account basis. The Nomination Committee proposes that Magnus Örtorp, Setterwalls Advokatbyrå, be elected Chairman of the Annual General Meeting. The Nomination

Committee proposes that the procedure for the work of the Committee remain unchanged for the forthcoming year. The Nomination Committee's proposals and the proposal regarding the procedure for the Nomination Committee were disclosed in the form of the official notice of the 2009 Annual General Meeting.

The Nomination Committee has declared that Hakon Invest has presented an alternative proposal for the election of Board Members and the Board Chairman. Hakon Invest proposes that the following be re-elected Board members: Kia Orback Pettersson, Ingemar Charleson and Mats Holgerson; and that Meta Persdotter, Per Wiberg and Stein Petter Ski, Hakon Invest, be elected new Board members. Hakon Invest proposes that Per Wiberg be elected Chairman of the Board.

Fredrik Hägglund

Mats Olsson

Carl-Olof By

Per Larsson