

ITEM 16

BOARD MOTION CONCERNING THE INTRODUCTION OF THE 2010 INCENTIVE PROGRAM IN THE FORM OF COMBINED SHARE MATCHING AND PERFORMANCE SHARE PROGRAM

The Board of Directors of Hemtex AB (publ), corp. reg. no. 556132-7056 (“Hemtex”), proposes that the Annual General Meeting on April 12, 2010 resolve to establish a long-term incentive program in the form of a combined share matching and performance-based share program (“Share Program 2010”) in accordance with the guidelines set forth in greater detail below.

Overall description of the program and grounds for the proposal, etc.

As stated in the motion concerning guidelines for remuneration of senior executives (see Item 15 in the proposed agenda), the Board of Directors of Hemtex has assessed that a remuneration system connected to the company’s earnings trend is significant in efforts to retain qualified employees and for the company’s development.

Information on Hemtex’s other incentive programs is available in Appendix 1 and information is also in the Annual Report on pages 35-36. There are no share-related incentive programs beyond what is described there.

By linking the remuneration of senior executives to the company’s earnings and share trends, long-term value growth is encouraged and a shared target image is assured for the employees and the shareholders. The company also believes that ensuring that the employees also have a shared interest in a positive share-price performance will benefit the shareholders. Accordingly, the Board proposes that a long-term share-based incentive program be introduced for the CEO and other senior executives of Hemtex, comprising two parts: a share-matching component and a performance share component.

In brief, Share Program 2010 entails that the CEO and other senior executives who participate in the program, all of whom have an own investment in shares in the company (“Savings Shares”), will be offered by the company an opportunity to receive shares in the company from free of charge. For each Savings Share, the employee can receive a “Matching Share” and a maximum of three “Performance Shares” after a qualifying period of approximately three years on condition that he or she is still employed by Hemtex (with some exceptions).

The maximum number of Savings Shares that each participant may acquire and exercise under the Share Program is intended to depend on such a participant’s position. The participants shall be divided into three categories.

Share Program 2010 shall comprise a maximum of 290,000 shares, of which 55,000 shares will constitute Matching Shares, 165,000 shares Performance Shares and 70,000 shares will be such shares that may be used to be acquired and transferred by the company with the aim of covering certain costs associated with the program, mainly social security expenses attributable to the benefit value of the Matching and Performance Shares, but not potential pension expenses (“Social Security Expenses”).

The Board believes that Share Program 2010 is both reasonable and advantageous for the company and its shareholders in terms of the proposed terms and conditions, the size of the allotment and other circumstances.

At present, the Board intends for share programs equivalent to Share Program 2010 to be annually recurring.

Hedging measures

The Board has considered various hedging methods for the transfer of shares to employees under Share Program 2010. The Board believes that the acquisition of treasury shares and transfer of such shares is the simplest and thus most cost-effective method to implement Share Program 2010.

For the 2010-2013 Annual General Meetings, the Board intends to propose that the Meeting (i) authorize the Board to make decisions regarding the acquisition of treasury shares through the stock exchange (to be able to implement transfers of Matching Shares and Performance Shares under Share Program 2010, mainly Social Security Expenses), (ii) resolve to authorize the transfers of treasury shares via the stock exchange to cover certain costs associated with Share Program 2010, mainly Social Security Expenses and (iii) resolve to transfer treasury shares to participants in Share Program 2010.

The obligation to transfer Matching Shares and Performance Shares under the program is subject to a General Meeting of the company passing the resolutions stated in the preceding paragraph during each of the years 2010-2013. The Board has the right to decide to terminate Share Program 2010 in part or in full if future General Meetings of the company do not pass requisite resolutions for the implementation of Share Program 2010.

The value of rights and costs for Share Program 2010

A-F Rights may not be pledged or transferred to others. However, an estimated value for each A-F Right can be calculated. The Board has estimated the average value of each A-F Right at SEK 22.90. This estimate is based on generally accepted valuation models using the closing price of the Hemtex share on March 8, 2010, statistics concerning the share price trend for the Hemtex share and the calculated dividend. The total estimated value of all 220,000 A-F Rights, based on an average fulfillment of the performance requirements for B-F Rights of 50% and estimates concerning future personnel turnover, is approximately SEK 3 million. The value corresponds to approximately 0.3% of Hemtex's market value as of March 8, 2010.

The costs are intended to be booked as personnel expenses in the income statement over 36 months, i.e. during the qualifying period, in accordance with IFRS 2 Share-based Payment. Social Security Expenses will be expensed against the income statement. The size of these costs will be calculated based on the share price upon exercise. Based on a theoretical assumption of an annual percentage increase in the share price of 10%, the cost for Share Program 2010 including Social Security Expenses is estimated to total approximately SEK 4.4 million, which on an annual basis is equivalent to approximately 0.4% of Hemtex's total personnel expenses for the 2009 calendar year. The maximum estimated cost for Share

Program 2010 is estimated at approximately SEK 25.8 million, including SEK 20.7 million in Social Security Expenses.

Effects on key indicators and dilution effects

In the event of full participation in Share Program 2010, Hemtex' annual personnel expenses are expected to rise by some SEK 1.5 million. On a pro forma basis for the 2009 calendar year, these expenses correspond to a negative effect of approximately 0.11% on Hemtex's operating margin and a decrease in earnings per share of about SEK 0.03.

However, the Board believes that the positive effects on earnings expected to arise from the CEO and other senior executives increasing their shareholdings and also being able to further increase their shareholdings through Share Program 2010 outweigh the costs related to Share Program 2010.

There are 41,072,360 outstanding shares in the company and the company does not hold any treasury shares. In order to establish Share Program 2010, a total of 290,000 shares is required, corresponding to 0.7% of the total number of outstanding shares.

Preparation of the motion

The motion has been drafted by the Board's Remuneration Committee and the Board as a whole. Company management and external consultants have assisted the Remuneration Committee in this work.

Board's motion for resolution

1. Establishment of Share Program 2010

In view of that stated above, the Board proposes that the Annual General Meeting resolve to approve the establishment of Share Program 2010 mainly based on the terms and principles stated below.

1.1 Participation

The program means that participants during the period from the date after the publication of the first interim report in 2010, that is, preliminarily May 5, 2010 through May 31, 2010 ("Purchase period") acquire shares in Hemtex ("Savings Shares") at market price via NASDAQ OMX Stockholm. The Board has the right to extend the Purchase Period insofar as the participant notifies the Board that the participant would be obstructed from purchasing shares in Hemtex due to his or her position as a person with insight in the company, or otherwise due to current insider legislation. The Purchase Period may be extended up to and including August 31, 2010.

The Savings Shares shall be placed in a separate securities account of which the company is notified.

Shares already held may not be locked in as Savings Shares.

Share Program 2010 comprises a maximum of 12 people, employees in Hemtex as of the date of the beginning and end of the Purchase Period holding the following positions. The participants are entitled to acquire Savings Shares in varying degrees depending on their positions. The participants are divided into the following categories:

Category	Position	Maximum number of Savings Shares
Category 1	CEO	10,000
Category 2	CFO, Sales and Marketing Director, Personnel Director, Product Range Director, Establishments Director and Purchasing/Logistics Director	5,000
Category 3	Business Area Managers (2), Group Controller and Design Director and Advertising Director	3,000

1.2 Rights

For each Savings Share acquired by the participant, the participant shall receive:

- (i) a right (“A Right”) to receive one share in Hemtex (“Matching Share”) free-of-charge on a date set by the Board, which is set forth in more detail below in Item 1.4, and on condition – with certain exceptions – of continued employment in Hemtex and continued holding of all Savings Shares, and
- (ii) certain other additional rights (“B, C, D, E and F Rights”) providing entitlement – under the same conditions as stated for (i) and also subject to the condition that special performance requirements and supplementary conditions are fulfilled – to additionally receive a certain number of shares in Hemtex through such Rights (“Performance Rights”). For each Savings Share, the participant shall be allotted:
 - one B Right (carrying entitlement to one Performance Share on condition that associated performance requirements and supplementary requirements are met);
 - 0.5 C Rights (carrying entitlement to one half of a Performance Share on condition that associated performance requirements and supplementary requirements are met);
 - 0.5 D Rights (carrying entitlement to one half of a Performance Share on condition that associated performance requirements and supplementary requirements are met);

- 0.5 E Rights (carrying entitlement to one half of a Performance Share on condition that associated performance requirements and supplementary requirements are met); and
- 0.5 F Rights (carrying entitlement to one half of a Performance Share on condition that associated performance requirements and supplementary requirements are met).

The Performance Requirement for exercising all allotted B Rights is that the average annual operating margin for the 2010-2012 fiscal years is equal to or exceeds 14%. If the average operating margin is not equal to or larger than 6% (minimum level), all B rights will expire. If the minimum level is attained, 20% of the allotted B Rights may be exercised for the redemption of Performance Shares. In the event of an outcome lying between the minimum level and complete compliance with the performance target, the right to exercise the allotted B Rights shall rise proportionately between these levels.

The Performance Requirement for exercising all allotted C Rights is that the average annual increase in net revenue, excluding acquisitions, be equal to or exceed 8% annually for the 2010-2012 fiscal years. If the average annual increase in net revenue does not reach at least 3% (minimum level), all C Rights will expire. The measurement point applies to comparable stores. If the minimum level is attained, 20% of the allotted C Rights may be used for the redemption of Performance Shares. In the event of an outcome lying between the minimum level and complete compliance with the performance target, the right to exercise the allotted C Rights shall rise proportionately between these levels.

The Performance Requirement for exercising all allotted D Rights is that average gross earnings for the 2010-2012 fiscal years be equal to or exceed SEK 900 million. If the average annual gross earnings do not amount to at least SEK 750 million (minimum level), all D Rights will expire. If the minimum level is attained, 20% of the allotted D Rights may be exercised for the redemption of Performance Shares. In the event of an outcome lying between the minimum level and complete compliance with the performance target, the right to exercise the allotted D Rights shall rise proportionately between these levels.

The Performance Requirement for the exercise of all allotted E Rights is that the average annual return on total capital (calculated as the profit margin x capital turnover) during the 2010-2012 fiscal years be equal to or exceed 20%. If the average annual return on total capital does not amount to at least 12% (minimum level), all E Rights will expire. If the minimum level is attained, 20% of the allotted E Rights may be exercised to redeem Performance Shares. In the event of an outcome lying between the minimum level and complete compliance with the performance target, the right to exercise the allotted E Rights shall rise proportionately between these levels.

The Performance Requirement for exercising all allotted F Rights is that the average annual inventory turnover during the 2010-2012 fiscal years be equal to or exceed a

multiple of five. If the annual inventory turnover rate does not reach a multiple of three (minimum level), all F Rights will expire. If the minimum level is attained, 20% of the allotted F Rights may be exercised to redeem Performance Shares. In the event of an outcome lying between the minimum level and complete compliance with the performance target, the right to exercise the allotted F Rights shall rise proportionately between these levels.

Allotment of Performance Shares backed by B-F Rights is subject to the condition that Hemtex' equity/assets ratio, according to the adopted balances sheets for the fiscal years 2010, 2011 and 2012, is not less than 25% ("Soundness Requirement"). If the Soundness Requirement is not met, all B-F Rights will expire.

1.3 Maximum number of shares and establishment of target fulfillment

Share Program 2010 shall comprise a maximum of 55,000 Savings Shares, 55,000 A Rights to be converted to 55,000 Matching Shares and 165,000 B-F Rights to be converted to 165,000 Performance Shares, meaning a total of 220,000 Matching and Performance Shares. In addition to the number of Matching and Performance Shares, 70,000 shares may be transferred by the company, in accordance with what the Annual General Meeting, or the Board with the support of the Annual General Meeting's authorization, henceforth decides at any time, with the aim of covering certain costs associated with the program, mainly Social Security Expenses.

Target fulfillment of the performance requirements and Soundness Requirement is established by the Remuneration Committee after the publication of the year-end financial statement for the 2012 fiscal year.

1.4 Allotment of Rights, Matching Shares and Performance Shares

The A-F Rights will be allotted in June 2010. They may not be transferred, pledged or sold.

A condition for the participant to be entitled to exercise the A-F Rights is that he or she, with certain exceptions, continues to be employed by Hemtex during a qualifying period that extends for approximately three years from and including the date of acquisition of Savings Shares up to and including the date that falls three years later and at the earliest is the date of publication of Hemtex's interim report for the period January-March 2013 ("Qualifying Period"), and that the participant during this period has retained all Savings Shares that have been tied up within the scope of Share Program 2010.

Allotment of Matching and Performance Shares supported by Rights takes place on the date that the company's Board sets, which will not fall earlier than the day after the end of the Qualifying Period. To the furthest extent possible, allotment shall take place in direct connection with the end of the Qualifying Period. Allotment to the participants shall be made on one occasion.

When allocating Matching and Performance Shares, only whole shares may be allotted and in the event that this is not possible, the number shall be rounded down to the nearest whole number of Matching and Performance Shares, respectively, that are to be allotted on the basis of Rights.

The Board is authorized to make decisions regarding detailed terms for Share Program 2010 including detailed rules concerning the right to participation, potential loss of rights to allotment of Matching and/or Performance Shares and deferring the date of such allotment. The Board shall also have the right to undertake other adjustments on condition that significant changes occur in Hemtex or its business environment that would mean that adopted terms for allotment and the possibility of exercising the Rights under the Share Program are no longer viable.

1.5 Limitation

The participants' maximum profit is limited to SEK 300 per Right. If the value in conjunction with exercise exceeds SEK 300, the number of shares to which each Right entitles the employee shall be reduced pro rata.

Neither Rights or Matching or Performance Shares entitle the holder to special dividend compensation. Nor do Rights or Matching or Performance Shares entitle the holder to pension allotments.

1.6 Splits or reverse splits

In the event of a split or reverse split of Savings Shares, each such share of such a number of new Savings Shares (with the limitations that otherwise originate from the terms for the program) entitles the holder to Matching Shares and Performance Shares. In the event of a bonus issue involving the issue of new shares, each bonus share received on the basis of a Savings Share is considered to be a Savings Share and acquired at the same time as the original Savings Share. Consequently, every such bonus share also entitles the holder to Matching Shares and Performance Shares (with the limitations that otherwise originate in the terms of the program).

1.7 New share issue, reduction in share capital, etc.

In the event of a new share issue or other measure that otherwise increases or reduces the company's share capital or shareholders' equity, the number of Matching Shares and Performance Shares to which each Savings Share provides entitlement to shall not be subject to any recalculation.

1.8 Terms and conditions

The Annual General Meeting's resolution regarding the introduction of Share Program 2010 is conditional on the Annual General Meeting passing resolutions concerning (i) the acquisition of treasury shares in accordance with Item 17 on the agenda; (ii) authorization of the Board of Directors concerning a transfer of treasury

shares pursuant to Item 18 on the agenda and (iii) a transfer of treasury shares pursuant to Item 19 on the agenda.

Majority requirements

The Annual General Meeting's resolution regarding the establishment of Share Program 2010 is only valid if it is supported by shareholders representing a minimum of half of the exercised votes or, in the event of an equal number of votes, is supported by the Chairman.

Borås, March 2010

Hemtex AB (publ)

Board of Directors

Appendix 1

ONGOING INCENTIVE PROGRAMS

Incentive programs 2007-2010

The Annual General Meeting of September 5, 2007 resolved to introduce long-term incentive programs for senior executives in the Hemtex Group through the issuance of warrants and employee stock options in Hemtex AB. In accordance with IFRS 2 and UFR, costs of SEK 0 million for the employee stock options were charged against earnings during the fiscal year 7. Within the scope of both of the programs, the management in place at the time acquired 120,000 warrants at market price and allotment was made of 120,000 employee stock options free-of-charge. Every option entitles the holder to subscription of one new share. Of the people who participated in the 2007 option program, only three still work at Hemtex, including two are in the management group. In the current management group, two people have 15,000 warrants and 15,000 employee stock options each. The right to exercise the employee stock options is conditional upon increases being achieved in earnings per share for the Group during the 2007/2008-2009/2010 fiscal years. The employee stock options are not transferable and their exercise is conditional upon the option holder still being an employee of the Hemtex Group at the time of exercise. The right to exercise employee stock options is also subject to the condition that the Group during the 2007/2008-2009/2010 fiscal years, in accordance with adopted annual reports, achieves an increase in earnings per share (net earnings for the year divided by a weighted average number of shares during the year) compared with the previous fiscal year so that the increase in earnings per share during the respective fiscal year corresponds to an increase of earnings per share as stated in the table below.

Period	Ökning av vinst per aktie, %	Andel av optionerna som kan lösas
Räkenskapsåret 2007/2008	15	1/3
Räkenskapsåret 2008/2009	15	1/3
Räkenskapsåret 2009/2010	15	1/3

Period Increase of earnings per share Proportion of options that can be redeemed

Fiscal year 2007/2008

Fiscal year 2008/2009

Fiscal year 2009/2010

During the 2007/2008, 2008/2009 fiscal years and the 2009 abbreviated fiscal year, earnings per share decreased during each fiscal year. Earnings per share amounted to SEK 5.69 before

dilution during the 2006/2007 fiscal year. During the 2007/2008 fiscal year, earnings per share decreased to SEK 3.31; during the 2008/2009 fiscal year, earnings per share decreased to SEK 1.46 and during the 2009 abbreviated fiscal year, earnings per share decreased to a loss of SEK 3.04 per share. Accordingly, the employee stock options may not be exercised since the terms have not been fulfilled.

Hemtex has chosen the Black & Scholes model as the option valuation model. The market price established on October 5, 2007 that was paid for each warrant amounted to SEK 15.80 per warrant, meaning that SEK 1,896,000 was paid in to Hemtex AB during October 2007. The subscription price established after the measurement period of September 12-25 is to SEK 151 per share. The subscription period for shares on the basis of paid warrants and received employee stock options extends from June 1 up to and including July 31, 2010. The maximum dilution effect for the incentive program is estimated at 0.82% of the share capital (entailing the same percentage dilution of the number of votes), subject to the full exercise of all warrants and employee stock options. More detailed information about the incentive program is available on the company's website under the corporate governance section.

Program	Antal optioner	Optionsprogram (kr/aktie)	Lösenpris (kr/aktie)	Teckningsperiod
Teckningsoptioner	120 000	15,8	151	1 jun–31 jul 2010
Personaloptioner	120 000	—	151	1 jun–31 jul 2010

Program

No. options

Option program (SEK/share)

Redemption price (SEK/share)

Subscription period

Warrants

Employee stock options

June 1-July 31, 2010

June 1-July 31, 2010

ITEM 17

THE BOARD'S MOTION ON AUTHORIZATION FOR ACQUISITION OF TREASURY SHARES

The Board of Directors of Hemtex AB (publ), corp. reg. no. 556132-7056 ("Hemtex"), proposes, on condition that the Annual General Meeting resolves to approve the establishment of the performance-based, long-term share program for 2010 ("Share Program 2010"), as proposed under Item 16 of the agenda, that the Annual General Meeting on April 12, 2010 authorize the Board, for the time until the next Annual General Meeting, to make decisions regarding the acquisition of shares in the company with the aim of safeguarding the company's undertakings under Share Program 2010, as per the following:

- Acquisition may be made of a maximum number of shares so that the company holds no more than 290,000 shares after each acquisition.
- The shares may be acquired on NASDAQ OMX Stockholm.
- Acquisition of shares through trade on the stock exchange may take place only at a price per share within the prevailing price interval at any time.
- Payment for shares shall be made in cash.
- The objective of the motion is to safeguard the company's undertakings under Share Program 2010.

Majority requirements

The Annual General Meeting's resolution regarding authorization for the Board as to the acquisition of treasury shares will only be valid if it is supported by shareholders representing a minimum of two thirds of both the exercised votes and the shares represented at the Meeting.

Borås, March 2010

Hemtex AB (publ)

Board of Directors

ITEM 18

THE BOARD'S MOTION CONCERNING THE AUTHORIZATION OF THE TRANSFER OF THE COMPANY'S SHARES VIA THE STOCK EXCHANGE DUE TO SHARE PROGRAM 2010

The Board of Directors of Hemtex AB (publ), corp. reg. no. 556132-7056 ("Hemtex"), proposes, on condition that the Annual General Meeting approve (i) the establishment of the performance-based, long-term share program for 2010 ("Share Program 2010") (Item 16 of the agenda) and (ii) the Board's motion regarding authorization to acquire treasury shares (Item 17 of the agenda), that the Annual General Meeting on April 12, 2010 resolve to authorize the Board to make decisions regarding the company being entitled, during the period until the next Annual General Meeting, to transfer a maximum of 70,000 shares in the company with the aim of covering costs, including social security expenses, attributable to the benefit value of allotted matching and performance shares, but not any pension expenses that may arise as a result of the named program and otherwise on the following terms.

- The transfer shall be undertaken on NASDAQ OMX Stockholm at a share price within the prevailing price interval at any time.
- In the event of a split or reverse split of the company's shares, the number of shares as per above that may be transferred and that have not already been transferred shall increase or decrease so that the number of shares after the measure in question corresponds to an unchanged proportion of all of the company's shares.
- In the event of a bonus issue involving the issue of new shares, the number of shares that as per the above may be transferred and that have not already been transferred shall increase by the number of bonus shares that are received on the basis of the aforementioned number of shares.

Majority requirements

The Annual General Meeting's resolution regarding the transfer of treasury shares via the stock exchange is only valid if it is supported by shareholders representing a minimum of two thirds of both the exercised votes and the shares represented at the Meeting.

Borås, March 2010

Hemtex AB (publ)

Board of Directors

ITEM 19

THE BOARD'S PROPOSAL CONCERNING THE TRANSFER OF THE COMPANY'S SHARES TO SHAREHOLDERS IN SHARE PROGRAM 2010

The Board of Directors of Hemtex AB (publ), corp. reg. no. 556132-7056 ("Hemtex") proposes, on condition that the Annual General Meeting resolves to approve (i) the establishment of the performance-based, long-term share program for 2010 ("Share Program 2010") (Item 16 on the agenda), (ii) the Board's proposal on authorization regarding the acquisition of treasury shares (Item 17 on the agenda) and (iii) the Board's proposal on a resolution regarding authorization for the transfer of treasury shares via the stock exchange in association with Share Program 2010 (Item 18 on the agenda), that the Annual General Meeting on April 12, 2010 resolve to transfer treasury shares in the company on the following conditions.

- A maximum of 220,000 treasury shares may be transferred.
- The right to acquire shares shall accrue to the participants who, pursuant to Share Program 2010, are entitled to receive shares, with the entitlement of each individual participant to receive a maximum of the number of shares that ensue from the terms and conditions underlying Share Program 2010.

Reasons for deviation from the shareholders' preferential right are that the Board wants to create conditions to retain competent personnel and also spread and increase shareholding among them, which can be expected to increase interest in the business and earnings trend in accordance with Share Program 2010.

- Transfer shall take place free-of-charge and at the points in time and on the other conditions that participants in Share Program 2010 are entitled to matching and performance shares. With a deviation from the preferential rights of shareholders, the transfer shall be made directly to such participants.
- In the event of a split or reverse split of the company's shares, the number of shares as per above that may be transferred and have not already been transferred shall increase or decrease so that the number of shares after the measure in question corresponds to an unchanged proportion of all of the company's shares.
- In the event of a bonus issue involving the issue of new shares, the number of shares that as per the above may be transferred and have not already been transferred shall increase by the number of bonus shares that are received on the basis of the aforementioned number of shares.

Majority requirements

The Annual General Meeting's resolution regarding transfer of treasury shares to participants in Share Program 2010 is subject to the provisions of Chapter 16 of the Swedish Companies

Act and is only valid if it is supported by a minimum of nine tenths of both the votes exercised and the shares represented at the Meeting.

Borås, March 2010

Hemtex AB (publ)

Board of Directors