

This is a translation of the Swedish version of this notice. In the event of discrepancies between the Swedish version and this translation, the Swedish version shall prevail.

Notice of Extraordinary General Meeting in BioPhausia AB (publ), August 4, 2008

The shareholders of BioPhausia AB (publ) are hereby invited to the extraordinary general meeting to be held on Monday, August 4, 2008 at 15.00 in the premises of Advokatfirman Cederquist, Hovslagargatan 3 in Stockholm, Sweden. The meeting premises will open for registration at 14.30.

Notification of attendance

Shareholders who wish to attend must:

both be registered on Tuesday, July 29, 2008 in the register of shareholders kept by VPC AB, **and** notify the company of their intention to participate in the EGM not later than Tuesday, July 29, 2008 at 16.00 by post to BioPhausia AB, Blasieholmsgatan 2, 111 48 STOCKHOLM, by fax on + 46 (0)8-407 64 39, or by e-mail to bolagsstamma@biophausia.se. The shareholder's name, personal or corporate identity number, address and telephone number and the registered shareholding should be stated when registering.

Shareholders may exercise their rights at the EGM through an authorised representative. Such authorisation must be in writing and cannot be older than twelve months. Proxies, registration certificates and other documents of authorisation should be received by the company at the above address by Tuesday, July 29, 2008. Please note that original copies of the authorisation must be sent or brought to the EGM. Proxy forms are available at BioPhausia's website, www.biophausia.se. Shareholders who wish to exercise the right to bring a maximum of two assistants to the EGM shall notify this and state the number of assistants at the same time as the aforementioned notification to attend is made.

Shareholders whose shares are registered in the name of a nominee must temporarily re-register the shares in their own name with VPC in order to have the right to participate in the meeting. Such re-registration, so-called registration of voting rights, must be effected on Tuesday, July 29, 2008, and the nominee should thus be notified of this well in advance of this date.

Proposed agenda

1. Opening of the Extraordinary General Meeting.
2. Election of chairman at the meeting.
3. Establishment and approval of the voting list.
4. Approval of the agenda.
5. Election of one or more persons appointed to verify the minutes.
6. Determination of whether the EGM has been duly convened.
7. Approval of the Board of Directors' decision on issuance of new shares with preferential rights for shareholders and the Board of Directors' proposal to amend the articles of association.
8. Closing of the Extraordinary General Meeting.

Item 7 Approval of the Board of Directors' decision on issuance of new shares with preferential rights for shareholders and the Board of Directors' proposal to amend the articles of association

On May 23, 2008 BioPhausia entered into an agreement on acquisition of a pharmaceutical portfolio from AstraZeneca for a purchase price of SEK 535 million. The acquisition was completed on June 30, 2008. The acquisition was initially financed with bank loans. For the purpose of being able to repay a part of the loan amount, BioPhausia's Board of Directors decided on July 1, subject to approval from the EGM, that the company shall make an issuance of a maximum of 342 475 932 new shares with preferential right to subscription for existing shareholders, whereby the company's share capital can be increased with no more than SEK 85 618 983. The Board of Directors now proposes that the EGM approves the Board of Directors' decision, which in other respects substantially contains the following.

The right to subscribe for the new shares shall *with preferential right* belong to the current shareholders of the company. The number of subscription rights which each share shall entitle to, and the number of subscription rights required to subscribe for one newly issued share, will be determined by the Board of Directors in accordance with what is stated below about authorisation for the Board of Directors. After the expiration of the subscription period, unutilized subscription rights will become invalid and will be cancelled in the VPC-system without notification from VPC.

Subscription can also be made *without preferential rights* by the public. In the event that not all shares are subscribed for with preferential rights, the Board of Directors shall decide upon allotment of shares, within the maximum amount of shares to be issued, to those who have subscribed for without preferential rights in accordance with the following principles of allocation. Firstly, allotment of shares which have been

subscribed for without preferential rights shall be made to Livförsäkringsaktiebolaget Skandia, however with no more than the number of shares which corresponds to five per cent of the maximum number of shares which the Board of Directors, by virtue of the below mentioned authorisation, decides shall be issued, and subject to the additional limitations which may follow from the Swedish Companies Act. Livförsäkringsaktiebolaget Skandia is a shareholder in the company and has without consideration issued a guarantee to subscribe for, without preferential right, the number of shares which is mentioned in the previous sentence. Secondly, allotment of shares which have been subscribed for without preferential rights shall be made to those who were shareholders in the company on the record day for the share issue, pro rata in proportion to the number of shares held by such shareholders on the record day. The Board of Directors shall thereafter, when applicable, decide to what extent allotment of shares, subscribed for without preferential right, shall take place, and how such prospective allotment shall be made.

The record day for participation in the share issue with preferential right shall be August 7, 2008. According to the Board of Directors' decision, the Board of Directors or the person which the Board of Directors appoints among its members is authorised to, within the limits stated above, not later than five business days before the record day, determine the maximum amount by which the company's share capital shall be increased, the maximum number of shares which shall be issued and the amount to be paid for each new share. The intention of the Board of Directors is to announce this decision on Thursday, July 31, 2008.

Subscription with preferential rights shall be made by payment of the subscription price during the period from August 12, 2008 until and included August 28, 2008. Subscription without preferential rights shall be made on a specific subscription list during the corresponding time. Shares which are subscribed for without preferential rights shall be paid not later than three banking days after notice of allotment. The Board of Directors is entitled to extend the subscription period and the time for payment. The new shares in the company shall entitle to dividend as from the record day for the dividend which is decided immediately after the registration of the share issue.

The Board of Directors' decision on issuance of new shares according to the above provides that the articles of association is amended as regards the limitations of the share capital and the number of shares. Therefore, the Board of Directors proposes that the EGM also decides that section 4 in the articles of association is amended so that the share capital shall be at least SEK 31 250 000 and no more than SEK 125 000 000 and that section 5 in the articles of association is amended so that the number of shares shall be at least 125 000 000 and no more than 500 000 000 shares.

Specific majority requirement

A valid decision by the EGM in accordance with the Board of Directors' proposal according to item 7 requires that the decision of the EGM is supported by shareholders who represent at least 2/3 of both the votes cast and the shares represented at the EGM.

At the time of issuance of this notice there is a total of 114 158 644 shares in BioPhausia, each representing one voting right, meaning that there is a total of 114 158 644 voting rights in BioPhausia.

Documents

The Board of Directors' complete proposal in respect to item 7, including documentation pursuant to Chapter 13, section 6 of the Swedish Companies Act, will be available at the company and at the company's website www.biophausia.se as from no later than July 21, 2008 and will be sent to those shareholders who ask for it and state their postal address.

Stockholm in July 2008
Board of Directors
BioPhausia AB (publ)