

Articles of Association of Höganäs Aktiebolag

§ 1

The name of the Company is Höganäs Aktiebolag. The Company is a public company (publ).

§ 2

The line of business of the Company is to develop, produce and market iron- and metal powder and non metallic raw materials in powder form, own and administer real estate and securities and to conduct other business connected hereto.

§ 3

The registered office of the Board of Directors is Höganäs.

§ 4

The share capital of the Company shall not be less than SEK eighty million (80 000 000) and shall not exceed SEK three hundred and twenty million (320 000 000).

The number of shares shall not be lower than twenty-five million five hundred thousand (25 500 000) and not be more than one hundred and two million (102 000 000).

§ 5

The shares may be issued in two series, called Class A and Class B. Shares of Class A can at the most be issued to a number of 2 616 000 and shares of Class B at the most to a number of 102 000 000.

At a vote on the General Meeting a share of Class A shall have ten votes and a share of Class B shall have one vote.

A share of Class A can be converted into a share of Class B in the way mentioned below. The owner of a share of Class A shall be entitled to demand that the share shall be converted into a share of Class B. A request of such a conversion shall contain a statement of the number of shares of Class A which shall be converted and shall be made in writing to the Company.

The conversion shall thereafter, without delay, be notified for registration at the Swedish Companies Registration Office and be noted in the central securities register (Sw. avstämningsregistret) and shall take effect when the registration and the note have been made.

§ 6

When the share capital is increased by a cash issue, an issue against payment through set-off of claims or a bonus issue, new shares of each class shall be issued in proportion to the number of shares of the same type already existing. Old shares shall thereby represent a preferential right to new shares of the same class in relation to their part of the share capital.

In a cash issue or an issue against payment through set-off of claims, shares which are not subscribed by preferentially entitled shareholders shall be offered to all shareholders. If the full number of shares subscribed as a result of such an offer cannot be issued, the shares shall be allotted to the subscribers in proportion to their existing holdings, and, to the extent that this is not possible, by drawing of lots.

If the Company decides to issue warrants or convertibles through a cash issue or an issue against payment through set-off of claims, such issue shall be made according to the principles regarding the ratio between the types of shares described in the first paragraph and the shareholders shall have preferential rights to subscribe for warrants as if the issue was of the shares that may be subscribed for pursuant to the warrants and, respectively, preferential rights to subscribe for convertibles as if the issue was of the shares that the convertibles may be converted to.

The above conditions shall not restrict in any way the possibilities to decide on a cash issue or an issue against payment through set-off of claims with exceptions from the shareholders' preferential rights.

§ 7

The Board of Directors of the Company shall, besides the members who according to law may be appointed in another way than by the General Meeting, be composed of a minimum of four (4) and a maximum of ten (10) members. The members of the Board of Directors shall be elected by the General Meeting for the period until the end of the first Annual General Meeting held after the year during which the Board of Directors was appointed.

§ 8

The Company shall have a minimum of two (2) and a maximum of four (4) auditors with a minimum of two (2) and a maximum of four (4) deputy auditors or a registered auditing company.

§ 9

The financial year of the Company shall be the calendar year.

§ 10

A General Meeting shall be held in Helsingborg, Höganäs or Stockholm. At the Annual General Meeting the following matters shall be dealt with:

1. Election of the chairman of the meeting;
2. Approval of the electoral register;
3. Approval of the agenda;
4. Election of minutes-checkers;
5. Confirmation that the meeting has been convened in due course;
6. Presentation of the Annual Report and the Auditors' Report and the Annual Report of the Group and the Auditors' Report of the Group;
7. Resolution with respect to
 - a) adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet,
 - b) dispositions of the Company's profit or loss,
 - c) discharge from liability in relation to the Company for the members of the Board and the Managing Director;
8. Decision of the number of members of the Board and, whenever applicable, auditors and deputy auditors;
9. Decision of the remuneration to the Board of Directors and, whenever applicable, the auditors;
10. Election of the members of the Board and, whenever applicable, auditors and deputy auditors;
11. Other matters which according to the Swedish Companies Act or the articles of association rest upon the General Meeting for resolution

§ 11

Notice of a General Meeting as well as other notices to the shareholders shall be made by advertisement in Svenska Dagbladet and in the Swedish Official Gazette (Sw: Post- och Inrikes Tidningar). The notice to the Annual General Meeting and notice to extraordinary General Meetings where a matter regarding changes in the Articles of Association shall be dealt with shall be issued not earlier than six weeks and not later than four weeks before the meeting. Notice to other extraordinary General Meetings shall be issued not earlier than six weeks and not later than two weeks before the meeting.

§ 12

A person is entitled to participate in a General Meeting provided he or she is listed as a shareholder in a transcript or another presentation of the complete share register showing the position five weekdays before the General Meeting and provided he has notified the Company of his intention to attend the meeting not later than the day mentioned in the notice convening the meeting, before 4.00 p.m. This day may not be a Sunday, any other public holiday, a Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not be earlier than the fifth weekday before the meeting.

Assistant to a shareholder may participate at a General Meeting only if the shareholder has notified the Company of the number of assistants - maximum two - in the manner stipulated in the preceding paragraph.

§ 13

The Company's shares shall be registered in a central securities register pursuant to the Financial Instruments Accounts Act (Sw: lagen (1998:1479) om kontoföring av finansiella instrument).

This document contains the current Articles of Association of Höganäs Aktiebolag with amendments as adopted at the Annual General Meeting on 21 April 2008.