

Notice convening the Annual General Meeting of Oasmia Pharmaceutical AB

The shareholders of Oasmia Pharmaceutical AB (publ), 556332-6676, are invited to participate in the Annual General Meeting to be held on Monday, September 30, 2013 at 2 p.m. at Vallongatan 1, Uppsala, Sweden. The registration will start at 1.30 p.m.

Registration and notification

Shareholders who wish to participate in the Annual General Meeting must be recorded in the share register kept by Euroclear Sweden AB on Tuesday, September 24, 2013, and give notice of intent to participate to the company not later than 4 p.m. on Thursday, September 26, 2013 by letter to Oasmia Pharmaceutical AB, Vallongatan 1, SE-752 28 Uppsala, Sweden, by fax: +46 18 51 08 73 or by e-mail: info@oasmia.com, including the number of assistants. Shareholders that have their shares registered in the name of a nominee must, in addition to giving notice of participation in the meeting, temporarily be recorded in the share register in their own names (so called voting-rights registration) to be able to participate in the General Meeting. Such registration must be effectuated on Tuesday, September 24, 2013. Shareholders represented by an Agent shall to the Agent issue a written, dated proxy and shall submit the proxy to the company prior to the Annual General Meeting. The proxy and other eventual authorization documents, such as registrations, shall be available at the Meeting. Such authorization documents should also be attached to the notice. For those who wish to be represented by agents, the company will provide proxies which will be available on the company website, <http://www.oasmia.com>.

Agenda

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Election of one or two verifiers
6. Determination as to whether the Meeting has been properly convened.
7. Speech by the Chief Executive President
8. Presentation of the Annual Report and the Consolidated Accounts as well as the Audit Report and the Audit Report for the Group
9. Resolution on
 - a) adoption of the Income Statement and the Balance Sheet as well as the Consolidated Income Statement and the Consolidated Balance Sheet
 - b) dispositions in respect of the company's profit/loss pursuant to the adopted Balance Sheet
 - c) discharge from liability of the Directors and the President
10. Determination of the number of Directors
11. Determination of fee to the Board of Directors and the Auditors
12. Election of Board of Directors, Chairman of the Board of Directors and auditors
13. Decision on the nomination committee prior to the 2013 Annual General Meeting
14. The Board's proposal for resolution on remuneration guidelines for the President and other persons in the company management
15. The Board's proposal for decision to issue of warrants to the Board of Directors and the Management
16. The Board's proposal for the authorization of repurchase and transfer the company's own shares
17. The Board's proposal for the authorization of a share issue
18. Closing of the Meeting.

PROPOSALS FOR DECISION

The nomination committee proposes as follows

Item 2 Proposal of Joel Citron as Chairman of the Meeting. **Item 10** Six members without substitutes. **Item 11** Board member who is not established in the company shall receive payment of SEK 150 000 per year. The Chairman of the Board shall receive payment of SEK 175 000. The Board fee may, following a special agreement with Oasmia Pharmaceutical AB, be invoiced by the company that is wholly-owned by the member. If this takes place, the invoiced fee shall be increased by an amount corresponding to social charges and VAT. Payment shall be made to the auditors according to the bill. **Item 12** Re-election of Joel Citron, Martin Nicklasson, Jan Lundberg, Horst Domdey, Bo Cederstrand and Julian Aleksov. Joel Citron proposes as Chairman of the Board of Directors. Election of Ernst & Young AB, with principal auditor Björn Ohlsson. **Item 13** The nomination committee proposes a nomination committee process prior to the 2014 Annual General Meeting shall be appointed as follows. One member shall represent the largest shareholders. One member shall be independent from the largest shareholders and independent from the company management and the Board of Directors. One member shall be the Chairman of the Board of Directors (convener). The nomination committee's mandate period shall last until a new nomination committee has been appointed. If a member leaves the nomination committee before the assignment has been completed, other members shall appoint a replacement.

The Board of Directors proposes as follows

Proposal for resolution on the dispositions in respect of the company's profit/loss pursuant to the adopted Balance Sheet (item 9b)

The Board proposes that the Annual General Meeting 2013 makes the resolution that no dividends shall be paid and that share premium reserve SEK 573 438 611, accumulated losses SEK -194 851 017 and income for the year SEK -72 403 512, in total SEK 306 184 028 will be carried forward.

Proposal for resolution on remuneration guidelines for the President and other persons in the company management (Item 14).

The Board of Directors proposes the following guidelines that are intended to apply as of the 2013 Annual General Meeting until the 2014 Annual General Meeting

Pay and other benefits

Remuneration to the President and other people in the company management shall consist of fixed salary. The President shall also be entitled to private health insurance and pension allocations.

Period of notice and severance pay

In the event of termination on the part of the company, the period of notice for the President shall be no more than 24 months. In the event of termination on the part of the President, the period of notice shall be no more than six months. For other people in the company management, the period of notice shall normally be six months if the termination is on the initiative of the company, and three months if the termination is on the initiative of the post holder. No special severance pay shall be paid.

Incentive program

A decision regarding any shares and share price-related incentive program aimed at people in the company management shall be made by the General Meeting.

Policy

The more detailed principles for salary payment for the President and other people in the company management shall be found in a policy established by the Board.

Deviation in individual cases

The Board shall be entitled to deviate from these guidelines if there are special grounds in an individual case. If such a deviation is made, information on this and the reason for the deviation shall be reported at the next Annual General Meeting.

The Board's suggest a proposal for decision to issue of warrants to the Board of Directors and the Management (Item 15)

The Board of Directors suggests that the annual general meeting decides to issue 1 050 000 warrants in accordance with the conditions set forth below:

1. Entitled to subscribe are, in derogation of the shareholders preferential rights, Oasmia Animal Health AB which has the right, and obligation, to, after subscription, sell the warrants to the Board of Directors and management. The Board of Directors consists of six members whom can each buy 100 000 warrants and the management consists of nine members whom can each buy up to 50 000 warrants. The transfer shall be made to market rates based on the Black & Scholes-model.
2. The reason for the derogation from the shareholders preferential rights are that the company wants the Board of Directors and the management to benefit from the increase in value of the company that they contribute with through their work.
3. Subscription for the warrants shall be made not later than October 3, 2013.
4. The warrants will be issued to Oasmia Animal Health AB free of charge.
5. Each warrant is a right to the holder to subscribe for one newly issued share in the Company for a price of 17,10 SEK.
6. Subscription of shares with warrants shall be made in accordance with the terms of the warrant during the period January 1, 2014 until August 15, 2014.
7. The warrants will, if fully subscribed for, increase the share capital with 105 000 SEK. Such an increase is equivalent to a dilution of 1,28 % of both the shares and the voting rights in the company.
8. The newly issued shares will entitle to dividend from the fiscal year 2014/2015.
9. The warrants shall otherwise be subject to the terms and conditions set forth in [Appendix A](#).
10. Shares added due to subscription of warrants shall be subject to VPC registration in accordance with the Articles of Association.
11. The Board of Directors propose that the annual general meeting authorize the Board of Directors to make minor changes in the decisions that can be deemed to be necessary in the connection with the registration of the decision with the Swedish Companies Registration Office and Euroclear Sweden AB.

The Board's proposal for the authorization of repurchase and transfer the company's own shares (Item 16)

The Board of Directors proposes that the Meeting authorizes the Board of Directors to resolve to repurchase, on one or several occasions prior to the next annual general meeting, as many shares as may be purchased without the company's holding at any time does not exceed 10 per cent of the total number of shares in the company. The shares shall be purchased on NASDAQ OMX Stockholm and only at a price within the price range registered at any given time, i.e. the range between the highest bid price and the lowest offer price.

The Board of Directors also proposes that the Board of Directors shall be authorized to resolve, on one or several occasions during the period until the next annual general meeting, to transfer all shares held by the company, via NASDAQ OMX Stockholm or in connection with the acquisition of companies, businesses or parts thereof on market terms, however, not to a price lower than current stock market value. Transfer of shares on the NASDAQ OMX Stockholm may at a price within the price range registered at any given time, i.e. the range between the highest bid price and the lowest offer price

The purpose of the proposed authorizations is to provide flexibility as regards the company's possibilities to distribute capital to its shareholders and to promote more efficient capital usage in the company.

The Board's proposal for the authorization of a share issue (Item 17)

The Board proposes the General Meeting to authorize the Board on one or more occasions during the period until the next Annual General Meeting, with or without deviation from the shareholders' preferential right, to make a decision regarding a new share issue on cash payment and/or with a provision regarding in kind or offset or otherwise with terms in accordance with Chap. 13, Sect. 7 of the Companies Act, and also an issue of convertibles on cash payment and/or with a provision regarding in kind or offset or otherwise with terms in accordance with Chap. 15, Sect. 5 of the Companies Act. In the event of a deviation from the preferential right, the new shares and convertibles shall be issued at an amount that concurs with the share price at the time of implementing the new share issue, after a deduction of any market-related discount that the Board deems to be required.

The reason for the authorization is to facilitate the procurement of operating capital. The reason for deviating from the shareholders' preferential right is to broaden the ownership group. The total number of shares that it shall be possible to issue with the support of the authorization must not exceed 16 000 000. The total number of convertibles that it shall be possible to issue with the support of the authorization must not exceed more convertibles than entitle conversion to 16 000 000 shares. It is also proposed that the Board or the party the Board appoints for the task shall have the right to make the minor changes that may be brought about by the registration thereof with the Swedish Companies Registration Office or Euroclear Sweden AB.

Majority requirements

The Meeting's resolution regarding item 15 must, in order to be valid, be supported by shareholders representing at least nine tenths of the votes cast as well as of the shares represented at the meeting.

The Meeting's resolution regarding item 16 and 17 must, in order to be valid, be supported by shareholders representing at least two thirds of the votes cast as well as of the shares represented at the meeting.

Right to information

The Board of Directors and the Chief Executive Officer must, if a shareholder requests it and the Board considers that it can be made without considerable damage to the company, provide information at the Annual General Meeting about conditions which may affect the estimation of the company or of the subsidiaries financial situation to another group company.

Documents

The Annual Report and Audit report, proxies and full proposals as stated above that will be put forward to the Meeting will be available at the company website <http://www.oasmia.com> and at Oasmia Pharmaceutical AB, Vallongatan 1, Uppsala, Sweden, phone +46 18 50 54 40, not later than three weeks prior to the Annual General Meeting and will be sent to shareholders upon request.

Shares and votes

The company's shares are issued in one series. All shares carrying equal voting rights at the General Meeting. There are in total 81 772 330 shares in the company, accordingly there are in total 81 772 330 votes.

Uppsala August 28, 2013
The Board of Directors