

“Free translation”

**To the shareholders in  
Munters AB (publ)  
Notice of Annual General Meeting**

Notice is hereby given that your attendance is requested at the Annual General Meeting of Munters AB which will be held in konferenshallen Polstjärnan, Sveavägen 77, Stockholm, on Wednesday, 25 April 2001 at 5 pm.

**A. Notice**

Shareholders who wish to participate in the Annual General Meeting must be recorded in the register of shareholders maintained by the Swedish Securities Register Centre, VPC AB, no later than Thursday, 12 April 2001 and must notify the company no later than 12 noon on Thursday, 19 April 2001 in writing to Munters AB, Box 430, SE-191 24 Sollentuna, Sweden, by telephone +46 0-626 63 00, by fax +46 8-754 68 96 or by e-mail [info@munters.se](mailto:info@munters.se).

Shareholders who wish to be represented by a representative must submit a proxy. A person who represents a legal entity must enclose a copy of the registration certificate or a similar document which shows that he or she is authorised to sign for the company.

To be entitled to participate at the Meeting, shareholders whose shares are registered in the name of a trustee must have their shares temporarily re-registered in their own name with VPC AB. Such re-registration must be implemented no later than Thursday, 12 April 2001 and shareholders must, therefore, notify their trustees well in advance of that date.

**B. Proposal for Agenda**

1. Opening of the AGM.
2. Election of Chairman of the AGM.
3. Drawing up and approval of voting list.
4. Approval of Agenda.
5. Election of two persons to verify the Minutes.
6. Review of procedures to establish if the AGM has been duly convened.
7. Statement by the President and submission of annual report and audit report of the parent company and consolidated financial statements and Group audit report.
8. Resolution regarding adoption of the statement of income and balance sheet of the parent company and the Group, all at 31 December.
9. Business of distribution of the company's profits in accordance with the adopted balance sheet and determination of record day.

10. Business of discharge from liability of the Members of the Board of Directors and the President.
11. Determination of number of Board Members and Deputy Board Members.
12. Determination of remuneration of the Board of Directors.
13. Election of Board Members and Deputy Board Members.
14. Resolution regarding authorisation of the Board of Directors to buy back own shares.
15. Resolution regarding authorisation of the Board of Directors to transfer own shares.
16. Resolution regarding issue of debt instruments linked with warrants for subscription of new shares and approval of transfer of warrants.
17. Closing of the AGM.

### **Dividend (Item 9)**

The Board of Directors proposes a dividend of SEK 2.30 per share, or a total of SEK 57,040,000. 30 April 2001 is proposed as record day. If the AGM passes a resolution in accordance with the proposal it is expected that the dividend will be remitted by VPC AB on 4 May 2001.

### **Board of Directors and remuneration (Items 11 - 13)**

The Nomination Committee, elected ahead of the AGM in 2001, has proposed the following:

#### Board of Directors and remuneration

The number of Board Members should remain unchanged, i.e. seven Board Members and no deputy Board Members.

Re-election of all the Board Members, i.e. Berthold Lindqvist, Sören Mellstig, Bo Ingemarson, Sven Ohlsson, Anders Jagraeus, Lars Spongberg and Lennart Evrell.

Shareholders, who together represent approximately 35 per cent of the total number of shares and votes in the company, have stated that they support the proposals of the Nomination Committee. These shareholders have also proposed that the remuneration of the Board of Directors should total SEK 1,000,000 to be distributed between the Members in accordance with the Board's decision.

### **Authorisation regarding buy-back and transfer of own shares (Items 14 and 15)**

#### Authorisation to decide acquisition of own shares

In substance, the Board of Directors' proposal means that the Board is authorised until the next Annual General Meeting to make a decision to acquire a number of shares which does not at any time exceed 10 per cent of the total number of shares in the company. Acquisition will be made on the OM Stockholm Exchange or through an offer which is

directed to all shareholders. The objective of the authorisation is to give the Board of Directors an opportunity, during the period until the next Annual General Meeting, to adjust the company's capital structure and to counteract the effects of the dilution of the share capital which the warrant programme proposed under item 16 can give rise to. In addition, a buy-back provides the opportunity to re-use bought back shares to finance future acquisitions.

#### Authorisation to decide transfer of own shares

In addition, the Board of Directors proposes that the AGM authorises the Board to decide until the next Annual General Meeting to divest the company's own shares in connection with acquisition of companies or operations other than on the OM Stockholm Exchange. The authorisation may be utilised on one or several occasions and covers all shares in Munters which the company owns at the time of the Board's decision.

The authorisation includes the right to decide a departure from the shareholders' right of preference and that payment can be made by other means than other than money.

#### **Issue of debt instruments linked with warrants and approval of transfer (Item 16)**

In substance, the Board of Directors' proposal regarding issue of debt instruments linked with warrants and approval of transfer of warrants to employees involves the following:

- A. The Annual General Meeting shall pass a resolution regarding issue of debt instruments up to a total nominal value of SEK 3,100 linked with a total of 310,000 detachable warrants which entitle to subscription of new shares in Munters. Wholly owned subsidiaries of Munters shall have the right to subscribe for the debt instruments with a departure from the shareholders' rights of preference. The debt instruments shall be subscribed for no later than 28 May 2001. Debt instruments shall be issued in multiples of SEK 1 nominal at a price equivalent to the nominal amount plus a premium equivalent to the estimated market value of the warrants. The debt instruments shall not bear interest and shall mature for payment on 31 July 2001. 100 warrants shall be attached to each debt instrument. Each warrant shall entitle to subscription of one new share for SEK 5 nominal during the period 3 May 2004 - 29 October 2001 at a subscription price of equivalent to a sum amounting to approximately 160 per cent of the average price quoted during the period 2 May - 8 May 2001.**
- B. Following subscription, the subsidiary shall detach the warrants and, for a consideration, transfer these warrants to a total of approximately**

**100 senior executives in the Munters Group in Sweden and abroad in accordance with instructions of the Board of Directors of Munters. The President shall have the right to acquire up to 25,000 warrants and be guaranteed an allocation of 12,500 warrants. Members of Group Staff and Group Management shall have the right to acquire up to 15,000 warrants each and be guaranteed an allocation of 7,500 warrants each. Division managers shall have the right to acquire up to 10,000 warrants each and be guaranteed an allocation of 5,000 warrants each. Business Unit Managers and staff in similar positions shall have the right to acquire up to 5,000 warrants each and be guaranteed an allocation of 2,500 warrants each. Applications for the acquisition of warrants shall be made between 2 May and 8 May 2001 after which allocation will be made. The price of the warrants shall be determined at 8 May 2001, after stockmarket trading in shares in Munters has ended, by Handelsbanken Investment Banking through the application of an established calculation model (Black & Scholes) in order to ensure that the price of the warrants is on market terms. Payment shall be made no later than 28 May 2001. To encourage participation in the programme, Munters will subsidise the warrant premium by paying a cash bonus in 2004 equivalent to one third of the paid warrant premium, on condition that the staff member is still employed in the Munters Group. It is proposed that the Annual General Meeting shall approve the aforementioned transfer of warrants to senior executives in the Group.**

The reason for a departure from the shareholders' right of preference is that the Board of Directors wants to launch an incentive programme for senior executives in the Group whereby they can be offered a stakeholding in Munters AB. The Board's motive is that a personal long-term ownership by the parties involved can be expected to stimulate an increased interest in the operations and profit development, increase the motivation and the sense of affinity to the company. The warrant programme is deemed to be of significant importance to enable the company to keep and recruit competent staff. The offer, therefore, benefits the company and its shareholders.

On full exercise of warrants, the share capital will increase by SEK 1,550,000. The dilution effect on full exercise of warrants is equivalent to approximately 1.2 per cent of capital and votes.

A resolution regarding approval of transfers under Item 16 is only valid if it is supported by shareholders representing at least nine tenths of the number of votes cast and the number of shares represented at the AGM. The other resolutions under Items 14-16 are only valid if they are supported by at least two thirds of the votes cast and the number of shares represented at the AGM.

**C. Available documents**

Accounts and audit report, as well as the Board of Directors full proposal relating to buy-back of own shares, will be available for the shareholders at the company's office from 11 April 2001. The Board of Directors full proposal for transfer of own shares and issue of debt instruments with warrants attached and approval of transfers of warrants will be available at the company's office from 18 April 2001.

Copies of the documents will also be mailed on request to shareholders stating their postal address, and will also be available at the Annual General Meeting.

**Welcome!**

Stockholm, March 2001

Board of Directors

Munters AB (publ)