



*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail*

## **INVITATION TO THE ANNUAL GENERAL MEETING OF AARHUSKARLSHAMN AB (publ)**

The shareholders of AarhusKarlshamn AB (publ) are hereby invited to attend the Annual General Meeting on Monday 21 May 2007 at 3 p.m., to be held at the premises of Europaporten Kongresscenter with address Stadiongatan 25 in Malmö. The registration for the Annual General Meeting starts at 2 p.m.

### **A. CONDITIONS FOR ATTENDANCE**

Shareholders who wish to attend the Annual General Meeting must be recorded in the Shareholders' Register maintained by the Swedish Central Securities Depository ("VPC AB") as of Monday 14 May 2007, and must also notify the company of their intention to attend the Annual General Meeting not later than 4 p.m. on Tuesday 15 May 2007. The notification of attendance, which may be made in accordance with any of the alternatives specified below, shall contain information of name, address, day-time telephone number, personal code number or corporate identity number, and the number of shares held. Shareholders who intend to bring assistance shall notify this within the same time limits as for the notification of their own attendance. Shareholders represented by an authorised representative should enclose a proxy in original to their notification. Representative of a legal entity shall present a copy of the registration certificate or corresponding legal papers of authorisation.

Address: AarhusKarlshamn AB, Kerstin Wemby, SE-374 82 Karlshamn, Sweden, (please mark the envelope "Annual General Meeting 2007")

Telephone: +46 454 823 12

Telefax: +46 454 828 20

E-mail: [kerstin.wemby@aak.com](mailto:kerstin.wemby@aak.com)

In order to participate in the proceedings of the Annual General Meeting, shareholders with nominee-registered shares must request their bank or broker to have the shares temporarily owner-registered with VPC AB. Such re-registration must be made at the latest on Monday 14 May 2007. The shareholder must therefore notify the nominee of their request to have the shares re-registered in **due time** before Monday 14 May 2007.

### **B. AGENDA**

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of agenda.
5. Nomination of two persons to verify and sign the Minutes of the Meeting.
6. Determination of whether the Annual General Meeting has been properly convened.
7. Report by the Managing Director.
8. Presentation of the Annual Report, the Auditor's Report and the Consolidated Financial Statements and the Group Auditor's Report for the financial year 2006.
9. Resolutions as to:
  - a) adoption of the Income Statement and the Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet, as per 31 December 2006;
  - b) appropriation of the company's profit according to the adopted Balance Sheet and record day for dividend;
  - c) discharge from liability of the Board of Directors and the Managing Director.
10. Determination of the number of Directors of the Board.
11. Determination of fees to the Board of Directors.
12. Election of members of the Board of Directors.
13. Proposal regarding the Nomination Committee.

*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail*

14. Proposal regarding guidelines for remuneration of senior executives.
15. Closing of the Annual General Meeting.

Shareholders jointly representing approximately 48.8 per cent of the shares and votes in the company have notified the company of their intention to support the Nomination Committee's proposals under item 2 and 10-12, the Board of Directors' proposal under item 9 b) and 14 and that they on their own part submit the proposal under item 13.

#### **Election of Chairman of the Meeting (item 2)**

The Nomination Committee has proposed that Melker Schörling shall be elected Chairman of the Annual General Meeting 2007.

#### **Proposal regarding the appropriation of the company's profit (item 9 b))**

The Board of Directors has proposed that a dividend of SEK 4.00 per share be declared for the financial year 2006. As record day for the dividend, the Board of Directors proposes Thursday 24 May 2007. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be distributed by VPC AB on Tuesday 29 May 2007.

#### **Proposal regarding election of the Board of Directors and determination of fees (items 10-12)**

The Nomination Committee has proposed the following.

- The number of directors shall be increased from eight to ten without any deputy directors.
- The total fee payable to the Board of Directors shall be SEK 2,100,000 to be distributed among the directors as follows: SEK 400,000 to the Chairman, SEK 300,000 to the Deputy Chairman and SEK 200,000 to each of the other directors elected at a general meeting and not employed by the company. There shall be no special fee for committee work.
- Re-election of the board members Melker Schörling, Carl Bek-Nielsen, Martin Bek-Nielsen, John Goodwin, Mikael Ekdahl, Ebbe Simonsen, Mårit Beckeman and Jerker Hartwall and new election of Ulrik Svensson and Anders Davidsson.
- Election of Melker Schörling as Chairman of the Board and Carl Bek-Nielsen as Deputy Chairman of the Board.

Ulrik Svensson (born in 1961), a degree in Business Administration, is Managing Director of Melker Schörling AB and also a member of the board of Securitas Direct AB and Loomis AB.

Anders Davidsson (born in 1970), a degree in Business Administration, is Managing Director and Group Manager of Bong Ljungdahl AB and also a member of the board of Bong Ljungdahl AB.

It is noted that at an Extraordinary General Meeting on 7 June 2005, the accounting firm Öhrlings Pricewaterhouse-Coopers AB, with authorised public accountant Anders Lundin as chief auditor, was elected auditor. It was further resolved that the auditor should be remunerated in accordance with agreement during the said term of office.

#### **Proposal regarding the Nomination Committee (item 13)**

##### *The Nomination Committee*

The Nomination Committee before the Annual General Meeting 2007 consists of Melker Schörling (chairman), Carl Bek-Nielsen, Henrik Didner, Didner & Gerge Mutual Fond, and Jan-Erik Erenius, AMF Pension.

##### *Proposal regarding the Nomination Committee in respect of the Annual General Meeting 2008*

- The Nomination Committee shall have four members.
- Re-election of Carl Bek-Nielsen, Henrik Didner, Didner & Gerge Mutual Fond, and Jan-Erik Erenius, AMF Pension and new election of Mikael Ekdahl as members of the Nomination Committee in respect of the Annual General Meeting 2008.
- Mikael Ekdahl shall be appointed Chairman of the Nomination Committee.



*This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail*

- In case a shareholder, whom a member of the Nomination Committee represents, is no longer one of the major shareholders of AarhusKarlshamn AB, or if a member of the Nomination Committee is no longer employed by such shareholder or for any other reason leaves the Nomination Committee before the Annual General Meeting 2008, the Committee shall be entitled to appoint another representative among the major shareholders to replace such member.

#### *Tasks of the Nomination Committee*

The Nomination Committee shall have the task of preparing, before the Annual General Meeting 2008, the election of Chairman and other members of the Board of Directors, the election of Chairman of the Annual General Meeting, proposals for fees and matters related thereto.

#### **Proposal regarding guidelines for remuneration to senior executives (item 14)**

The Board of Directors proposes that the Annual General Meetings resolves on guidelines for remuneration of senior executives principally entailing that salaries and other terms of remuneration of the management shall be competitive and according to market conditions. In addition to fixed salary, the management may also receive variable remuneration with a pre-determined cap based on the outcome of targeted results on group level and in the individual area of responsibility, as well as other benefits. Apart from the said variable remuneration, incentive programmes related to the share or share price can be resolved upon from time to time. Pension benefits shall be either income or fee based or a combination of both, with an individual pension age, however, not less than 60 years. On notice of termination by a senior executive, a notice period of six months shall apply without any right to severance pay. At dismissal by the company, the notice period shall be twelve months with a possible right to severance pay pre-determined to a maximum of twelve months. The Board of Directors shall be entitled to deviate from the guidelines if, in an individual case, there are particular grounds for such a deviation.

#### **C. AVAILABLE DOCUMENTS**

The accounts and the auditor's report (the annual report) and the complete proposals of the Board of Directors with respect to item 14 will be available to the shareholders at the company as from Monday 7 May 2007. Copies of the documents will be sent on request to shareholders who state their postal address, and will also be available on the company's website [www.aak.com](http://www.aak.com) and at the Annual General Meeting.

Malmö in April 2007

AarhusKarlshamn AB (publ)

The Board of Directors