

September 11, 2010

# Press release

## Invitation to the Extraordinary General Meeting of AarhusKarlshamn AB (publ)

The shareholders of AarhusKarlshamn AB (publ) are hereby invited to attend the Extraordinary General Meeting to be held on Monday 8 November 2010 at 9.00 a.m. at the premises of World Trade Center Malmö with address Jungmansgatan 12, Shanghai room. The registration for the General Meeting starts at 8.00 a.m.

### A. Conditions for attendance

Shareholders who wish to attend the General Meeting must be recorded in the Shareholders' Register maintained by Euroclear Sweden AB on Monday 1 November 2010, and must also notify the company of their intention to attend the General Meeting not later than Monday 1 November 2010, 4.00 p.m. The notification of attendance, which may be made in accordance with any of the alternatives specified below, shall state name, address, day-time telephone number, personal 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. A proxy form is available on the company website [www.aak.com](http://www.aak.com) and will be sent by post to shareholders informing the company of their address. Representative of a legal entity shall submit a copy of the registration certificate or corresponding papers of authorisation.

Address: AarhusKarlshamn Sweden AB, Kerstin Wemby, SE-374 82 Karlshamn, Sweden, (please mark the envelope "Extraordinary General Meeting 2010")

Telephone: +46 454 823 12

Telefax: +46 454 828 20

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

In order to participate at the General Meeting, shareholders with nominee-registered shares must request their bank or broker to have the shares temporarily owner-registered with Euroclear Sweden AB. Such re-registration must have been executed no later than Monday 1 November 2010. The shareholders must therefore notify the nominee of their request to have the shares re-registered **in due time** before Monday 1 November 2010.

### 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 persons to verify the Minutes of the Meeting.
6. Determination of whether the General Meeting has been properly convened.
7. Resolution regarding incentive programme for senior executives and key employees by way of an issue of subscription warrants.
8. Closing of the General Meeting.

A company in the AAK Group

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

The Nomination Committee has proposed that Mikael Ekdahl shall be elected Chairman of the General Meeting.

## Resolution regarding incentive programme for senior executives and key employees by way of an issue of subscription warrants (item 7)

The proposal by the Board of Directors principally entails that the EGM resolves on an issue of maximum 1,500,000 subscription warrants entitling to subscription for the equivalent number of new shares in AarhusKarlshamn AB. The issue shall be directed to the wholly-owned subsidiary AarhusKarlshamn Invest AB for the purpose of transferring them onwards to senior executives and key employees. The subscription warrants shall be issued to the subsidiary at a price of SEK 24 per subscription warrant. Subscription and payment for the subscription warrants shall be made on 1 December 2010 at the latest, with a right for the Board of Directors to prolong these time limits.

The reason for the deviation from the shareholders' preferential rights is that the Board of Directors is of the opinion that an incentive programme which offers senior executives and key employees the opportunity to take part of an increase in value of the company will lead to an enhanced interest in the company's development – as well as the company's share price development – and stimulate a continued loyalty towards the company over the forthcoming years. An incentive programme is expected to contribute to the possibilities to recruit and retain competent employees.

AarhusKarlshamn Invest AB shall, on one or several occasions, against payment transfer subscription warrants to senior executives and key employees within the Group. Transfer in accordance with the above that takes place in connection with the allotment of subscription warrants to AarhusKarlshamn Invest AB, shall be made at a market value, corresponding to the subscription price, of SEK 24 per subscription warrant (the subscription price is subject to material changes in the price of AarhusKarlshamn AB's share in connection with the market valuation of the subscription warrants). For subsequent transfers, the price per subscription warrant shall correspond to the market value of the subscription warrant at the time of transfer. The Board of Directors of AarhusKarlshamn AB shall be entitled to decide on the allotment of subscription warrants to approximately 70 senior executives and key employees within the Group in accordance with the following guidelines:

- |   |   |
|---|---|
| - CEO of AarhusKarlshamn AB   | maximum 80,000 subscription warrants            |
| - Group Management and other senior executives (in total 8 persons)               | maximum 60,000 subscription warrants per person |
| - Key employees and other key managers in the Group (in total approx. 60 persons) | maximum 20,000 subscription warrants per person |

If the total number of subscription warrants that the entitled senior executives and key employees wish to acquire exceeds the maximum number of subscription warrants that can be issued, reduction shall be made proportionally to each person's quantity in relation to the guidelines set forth above. There will be no guaranteed allotment. Oversubscription will be possible if full subscription in accordance with the above has not been made. If oversubscription has occurred, allotment shall be made to the above mentioned entitled categories pro rata in relation to the number of subscription warrants that they have been allotted in the first allotment. Any subscription warrants that have not been allotted in accordance with the above, shall be reserved for future recruitments of senior executives and key employees to the Group, whereby the above guidelines for allotment shall be applicable.

The first allotment is expected to take place in connection with the establishment of the subscription price per new share.

Subscription for shares in AarhusKarlshamn AB by exercise of the subscription warrants may take place during the period from 1 December 2013 up to and including 1 December 2015. The subscription price per share shall be based on a market valuation of the subscription warrant, including the consideration per subscription warrant at transfer in accordance with the above, and shall be determined by an independent valuation institute in accordance with established valuation methods (Black & Scholes) in connection with the allotment of the subscription warrants to AarhusKarlshamn Invest AB. If transferred, the subscription warrants shall be subject to a post-transfer purchase right at the established market value for the warrants at the time of transfer.

At full subscription of the proposed issue, and full exercise of the subscription warrants, the share capital may be increased by a total of maximum SEK 15,000,000, which is equivalent to approximately 3.67 per cent of the company's present share capital. All in all, the programme may at full exercise result in a total dilution of maximum approximately 3.54 per cent in relation to the share capital on a fully diluted basis, calculated as the number of new shares in proportion to the number of existing and new shares. The key ratio of equity capital per share will increase by approximately SEK 5.05 from SEK 72.11 to SEK 77.16 (based on an assumed new subscription price of SEK 190.80 and the interim report for the second quarter of 2010). Based on the same conditions, the key ratio of profit per share will decrease by approximately SEK 0.16 from SEK 4.60 to SEK 4.44. The above is subject to re-calculations of the subscription warrants in accordance with the customary terms of re-calculation in the complete terms and conditions.

The subscription warrant programme is not expected to lead to any considerable costs. Therefore, no measures to secure the programme are planned to be taken.

The proposal of the Board of Directors has been prepared by the Board of Directors. CEO and member of the Board Arne Frank, who may be allotted subscription warrants in accordance with the proposed incentive programme, has not taken part in the preparation of this matter.

A resolution by the EGM in accordance with the proposal of the Board of Directors must be supported by shareholders representing at least nine tenths of both the number of votes cast and the shares represented at the EGM in order to be valid.

## **C. AVAILABLE DOCUMENTATION ETC**

The complete proposal by the Board of Directors with respect to item 7 on the agenda, as well as documentation in accordance with Chapter 14 Section 8 of the Swedish Companies Act, are available at the company and on the company's website [www.aak.com](http://www.aak.com) two weeks before the EGM, at the latest, and copies thereof will be sent to the shareholders who so request and submit their address. Said documentation will also be available at the EGM.

The total number of shares and votes in the company amount to 40,898,189.

Malmö in October 2010  
AarhusKarlshamn AB (publ)

*The Board of Directors*

### **Facts about AAK**

AarhusKarlshamn is the world's leading producer of high value-added speciality vegetable oils and fats. These fats are characterized by a high technological content and are used as substitute for butter-fat and cocoa butter, transfree solutions for fillings in chocolate and confectionery products, and in the cosmetics industry. AarhusKarlshamn has production facilities in Denmark, Mexico, the Netherlands, Sweden, Great Britain, Uruguay and the US. The company is organised in three Business Areas; Chocolate and Confectionery Fats, Food Ingredients and Technical Products & Feed. Further information about AarhusKarlshamn can be found on the company's website [www.aak.com](http://www.aak.com)