



## Notice to attend Orc Software AB's (publ.) Annual General Meeting of shareholders

**The shareholders of Orc Software AB (publ.) are hereby invited to attend the Annual General Meeting of the shareholders to be held on Friday March 24, 2006, at 4 p.m. (CET) at the offices of Orc Software, at Birger Jarlsgatan 32A, 5<sup>th</sup> floor, Stockholm, Sweden.**

### **Registration**

Shareholders who wish to participate at the Annual General Meeting of shareholders must

- be registered in the shareholders' register maintained by VPC AB ("VPC") not later than Friday March 17, 2006, and
- notify the company at:

Orc Software AB (publ.), Annual General Meeting, Box 7742, SE-103 95 Stockholm, Sweden  
or by telephone at +46 8407 38 00  
or by e-mail at [ir@orcsoftware.com](mailto:ir@orcsoftware.com)

not later than Friday, March 17, 2006 at 4 p.m. (CET). The application shall include the shareholder's name, personal or corporate identity number, number of shares held, address, telephone number and information regarding assistants and, where applicable, representatives, wishing to attend the meeting.

### **Authorized representatives etc.**

A shareholder who will be represented by a proxy at the meeting shall issue a dated power of attorney for such proxy. A power of attorney issued by a legal entity shall be accompanied by a certified copy of a certificate of registration or similar document ("registration certificate") for such legal entity. Original powers of attorney, certificates of registration and other documents of authorization must be received by the company at the above address not later than Friday, March 17, 2006.

### **Nominee-registered shares**

Shareholders whose shares have been registered in the name of a nominee must, in order to be entitled to exercise voting rights at the Annual General Meeting, temporarily register their shares with VPC in their own name. A shareholder who wishes to be recorded in the share register in his/her own name, must notify his/her nominee thereof not later than Friday, March 17, 2006, at which day such registration shall be effected.

### **Proposed agenda**

1. Opening of the meeting.
2. Election of a chairman of the meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to approve the minutes.
6. Determination of whether the meeting has been duly convened.
7. Presentation of the annual report and the auditor's report and, where applicable, the consolidated financial statements and the auditor's report for the group, as well as a description of the work of the Board of Directors and the remuneration committee.
8. Resolutions regarding:
  - (a) Adoption of the profit and loss account and the balance sheet and, where applicable, the consolidated profit and loss account and consolidated balance sheet;
  - (b) Discharge from liability of the Board of Directors and the Chief Executive Officer;
  - (c) Allocation of the company's profit or loss in accordance with the adopted balance sheet.
9. Determination of the number of directors and deputy directors.
10. Determination of the fees for the directors and the auditors.
11. Election of the Board of Directors and any deputy directors.
12. Authorization for the Board of Directors to acquire and transfer the company's shares.
13. Authorization for the Board of Directors to raise customary credit facilities.
14. The Board of Directors' proposal to amend the Articles of Association.
15. Any other business.
16. Closing of the meeting.

## **Proposed resolutions**

### **Item 2. Election of a Chairman of the meeting**

The nominating committee<sup>1</sup> proposes that Magnus Böcker is elected Chairman at the Annual General Meeting.

### **Item 8 c. Proposal of distribution of dividends**

The Board of Directors has proposed the Annual General Meeting of the shareholders to decide on a payment of dividends in the amount of SEK 3.29 per share and to set the record date for purposes of the payment of dividends at Wednesday, March 29, 2006. Should the Annual General Meeting of the shareholders adopt a resolution in accordance with the proposal, it is estimated that dividends will be distributed by VPC on Monday April 3, 2006 to those persons who are registered in the shareholders' register maintained by VPC or in the separate list of pledge holders etc. maintained in conjunction therewith.

### **Item 9. Number of ordinary Board members and deputy Board members**

The nominating committee proposes that the Board consists of seven (7) ordinary Board members and no deputy Board members.

Ernst & Young AB with principle auditor Björn Fernström was appointed company auditor at the Annual General Meeting in 2003. A new auditor shall therefore be appointed at the Annual General Meeting in 2007.

### **Item 10. Remuneration to the Board of Directors and auditors**

The nominating committee proposes unchanged remuneration for the Board, which means that each Board member receives SEK 150,000, that the Chairman of the Board receives double the Board member's remuneration, i.e. SEK 300,000. In total the remuneration amounts to SEK 1,200,000. In accordance with previous procedures, fees to the auditors should be paid on account.

### **Item 11. Election of Board members**

The nominating committee proposes re-election of the Board members Magnus Böcker, Åke Dovärn, Per E. Larsson and Patrik Enblad, the appointment of Magnus Böcker as Chairman and new election of Board members Katarina Bonde, born 1958, CEO of Kubi LLC, and with the commission as Chairman of the Board of Aptilo Software, Board member of Framfab AB, Board member of the Royal Swedish Opera (Kungliga Operan), Chairman of Seraph Capital and Vice-Chairman of the Swedish American Chamber of Commerce, USA; Markus Gerdien, born 1960, Executive of OMX Market Technology and Anette Kumlien, Vice-President and Accounts- and Finance manager of Höganäs AB. Further information regarding the Board of Directors is available at the company's home page [www.orcsoftware.com](http://www.orcsoftware.com).

Ulrika Hagdahl, Elisabeth Sipière and Stig Vilhemson have declined re-election.

### **Item 12. Authorization for the Board of Directors to acquire and transfer the company's shares**

The Board of Directors' proposal primarily contains an authorization for the Board to acquire shares in the company during the period up until the next Annual General Meeting. The share acquisitions shall take place on the Stockholmsbörsen and the market price at the time of acquisition shall be paid for the shares. Acquisitions are limited by the company's shareholding not being allowed, at anytime, to exceed 10 percent of the total shares in the company. The purpose of the acquisitions is to provide the Board with the possibility of creating additional value for the company's shareholders by optimizing the capital structure of the group during the period up until the next Annual General Meeting.

The Board further proposes that the Board is authorized to transfer the company's shares in conjunction with an acquisition or expansion, before the next Annual General Meeting, via other means than the Stockholmsbörsen. The authorization may be exercised on one or more occasions and includes the company's entire shareholding at the time of the Board's decision. Authorization includes the right to decide to deviate from the shareholders' preferential rights as well as to make payment with other means than cash. Compensation for sold shares shall equal their estimated market value.

The Board's entire proposal set forth in item 12 will be available at the company, Birger Jarlsgatan 32A, SE-103 95 Stockholm, Sweden and on the company web-site [www.orcsoftware.com](http://www.orcsoftware.com) not later than Friday March 10, 2006. The proposal will also be sent via post to those shareholders who request it.

### **Item 13. Authorization for the Board of Directors to raise customary credit facilities.**

The Board of Directors' proposal contains an authorization for the Board, during the period up until the next Annual General Meeting, to raise, on market terms, customary credit facilities where payable interest or the amounts with which the loan shall be repaid are conditioned upon the company's results or financial position.

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<sup>1</sup> The nominating committee represents in total 52 percent of the votes and consists of Magnus Bakke (Robur Fonder) Magnus Böcker (OMX) convener, Magnus Eriksson (Skandia Liv) Fredrik Craaford (Hagströmer & Qviberg Fondkommission AB) and Björn Lind (SEB Fonder) Chairman. The criteria for the appointment and convention of the nominating committee (as decided at last year's Annual General Meeting) and the working procedures for the nominating committee are available at the company's homepage [www.orcsoftware.com](http://www.orcsoftware.com).

**Item 14. The Board of Directors' proposal to amend the Articles of Association.**

The Board of Directors has resolved to propose to the meeting of the shareholders amendments of the Articles of Association which are necessary due to the new Swedish Companies Act (*Sw: Aktiebolagslagen 2005:551*), and in the form of editorial amendments as follows;

- § 5 is proposed to have the following wording: *"The number of shares shall be no less than 12,000,000 and no more than 48,000,000."*
- § 6 is proposed to have the following wording: *"The Board of Directors shall consist of no less than five and no more than eight ordinary members and no more than an equal number of deputy members."*
- § 7 implies no change in the English translation of the Articles of Association.
- § 10 implies no change in the English translation of the Articles of Association.
- § 11 subsection one is proposed to have the following wording: *"The General Meeting of shareholders shall be convened by notice in Official Swedish Gazette (Sw: Post- och Inrikes Tidningar) and in Svenska Dagbladet. If the publishing of Svenska Dagbladet would cease, the notice shall be placed in Official Swedish Gazette and in Dagens Nyheter."*
- § 11 subsection two is proposed to have the following wording: *"Shareholders who wish to participate at a General Meeting of shareholders must be registered in the print out, or other report, of the entire shareholders' register as at five weekdays before the General Meeting of shareholders, and notify the Company of their intention to attend not later than 4.00 p.m. on the day stated in the notice of the General Meeting. This day may not be a Sunday, or other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the General Meeting of shareholders."*
- § 13 is proposed to have the following wording: *"The shares of the Company shall be registered in a reconciliation record (Sw: avstämningsregister) in accordance with Act (1998:1479) regarding account management of securities (Sw: lagen (1998:1479) om kontoföring av finansiella instrument)."*

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A valid resolution under item 12 and 14, requires a majority of at least two-thirds of the votes polled as well as the represented shares at the Annual General Meeting.

The annual report, the auditor's report, other documentation in accordance with the Companies Act and the complete proposal of a new Articles of Association will be available at the company's head office not later than Friday March 10, 2006. The annual report will also be available in electronically format at the company's home page, [www.orcsoftware.com](http://www.orcsoftware.com). The annual report will be available in printed format at the Annual General Meeting.

Stockholm, February 2006

The Board of Directors