

HMS Networks: Notice of the Annual General Meeting

The shareholders of HMS Networks AB (publ) are hereby invited to the Annual General Meeting, which will be held 10.00 a.m on Monday April, 19 2010 at HMS headquarter, Stationsgatan 37, Halmstad. Registration for the Annual General Meeting will begin at 9:00 a.m.

Right of participation in the Annual General Meeting

Shareholders who wish to participate in the Annual General Meeting shall be registered in the share register kept by Euroclear Sweden (the former VPC AB - the Swedish Central Securities Depository) on Tuesday 13 April 2010 and give notice of their intention to participate at the Meeting to the Company no later than 4 p.m. on Thursday 15 April 2010.

Notification of participation should be made by telephone on +46 35-17 29 80 or in writing to HMS Networks AB (publ), Stationsgatan 37, 302 45 Halmstad, by fax on +46 35-17 29 09 or by e-mail to ir@hms.se. The notification should state the name, social security or corporate registration number, shareholding, address, daytime telephone number and information, if necessary, on representation, and if so, the relevant details on deputies. In this case, a certified copy of the registration certificate, power of attorney or other document demonstrating the signatory's authority to sign must be included in the notification of participation.

Proxies

If a shareholder is represented by a proxy, the proxy should be issued with a power of attorney dated for this day. If the power of attorney is issued by a legal entity, a certified copy of the registration certificate, or other document demonstrating the signatory's authority to sign for the legal entity, must be included. The power of attorney and any registration certificate may not be more than one year old. The power of attorney (original), and registration certificate must be sent to the Company in good time prior to the Meeting at the above stated address. The form is available on the Company's website: <http://investors.hms.se> and at the Company's head office.

Nominee registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or Securities Register Centre must temporarily re-register the shares in their own name to be able to participate at the Meeting. Such registration must be done at Euroclear Sweden no later than Tuesday 13 April 2010, which means that shareholders must notify their intentions on this matter to the nominee well in advance of the stated date.

The number of shares and votes

The total number of shares and votes in HMS Networks AB amounts to 11,152,900.

Proposed agenda

1. Opening of the Meeting
2. Election of the Chairman of the Meeting
3. Drawing up and approval of the voting list
4. Approval of the Agenda
5. Election of one or two persons to approve the minutes
6. Determination as to whether the Meeting has been duly convened
7. Presentation of the Annual Report, Auditors' Report and the Consolidated Accounts and Consolidated Auditors' Report
8. Report by the CEO
9. Resolution concerning the adoption of the Income Statement and Balance Sheet, and of the Consolidated Income Statement and Consolidated Balance Sheet
10. Resolution concerning the allocation of the Company's profit as set forth in the adopted Balance Sheet
11. Resolution concerning the discharge of liability for Board Members and CEO
12. Presentation of the work of the Nomination Committee
13. Resolution concerning change in the articles of association
14. Determination of the number of Board Members and Deputies
15. Determination of fees payable to Board Members and Auditors
16. Election of Board Members and Chairman
17. Principles for appointing members of the Nomination Committee
18. Proposal regarding guidelines for salaries and other remuneration to the CEO and other Members of executive management
19. Close of Meeting

Nomination Committee's proposals

Point 2 and 14-16

The Nomination Committee for 2009, comprising chairman Jan Svensson (Investment AB Latour), Per Trygg (SEB Fonder), Nicolas Hassbjer and Urban Jansson (Chairman of the Board), proposes:

- that Urban Jansson shall be appointed Chairman of the Annual General Meeting. (Point 2)
- that the Board of Directors shall consist of seven Board Members without Deputies. (Point 14)
- that directors' fees totalling SEK 825,000 shall be paid, of which SEK 225,000 shall be paid to the Chairman, and SEK 100,000 to each Board Member who is not an employee of the company. The fees to the Auditor shall be paid according to approved invoices. (Point 15)
- that Urban Jansson, Ray Mauritsson, Göran Sigfridsson, Nicolas Hassbjer and Henrik Johansson are re-elected as Board Members and that Urban Jansson is re-elected as Chairman of the Board. (Point 16)
- new election of Gunilla Wikman and Charlotte Brogren.

Point 17

The Nomination Committee proposes that the Annual General Meeting shall determine principles regarding the appointment of members of the Nomination Committee before the Annual General Meeting 2011, mainly in accordance with the following.

HMS shall have a Nomination Committee consisting of one representative from each of the three largest shareholders or owner groups (by number of votes) and the Chairman of the Board. The names of the three Committee members and the shareholders they represent shall be made public at the presentation of the Q3 report of the Company, and the contact names for questions regarding the Nomination Committee shall also be made public at that time. The Nomination Committee will be appointed on the basis of known shareholders in the Company on 30 September of the calendar year of question. The mandate period of the Nomination Committee extends until such time as a new Nomination Committee is appointed.

Proposals from the Board of Directors

Point 10

The Board proposes that the Parent Company's result of SEK 74,911,054 and profit brought forward of SEK 67,805,785, a total of SEK 142,716,839, is allocated so that SEK 1.00 per share, corresponding to a total of SEK 11,152,900 is paid to the shareholders as dividend and that the remaining amount is brought forward. The proposed record date for the dividend is Thursday 22 April 2010. If the Annual General Meeting approves the Board's proposal, it is estimated that the dividend will be paid out through Euroclear Sweden on Tuesday 27 April 2010.

Point 13

The Board proposes a change of the articles of association 8 §, meaning that the Board of Directors elected by the shareholders' meeting shall consist of not less than three (3) members and not more than seven (7) members.

Point 18

For the CEO and other members of executive management, the principles for determining remuneration are based on salary, short and long-term incentive programs and pension benefits. The Board proposes that corresponding principles shall be approved by the Annual General Meeting 2010 for the period up to the end of the Annual General Meeting 2011.

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The Annual Report and Auditor's Report for the 2009 financial year are posted on the Company's website. A printed version can be ordered by sending address details to ir@hms.se. The Board's statement regarding the proposal for allocation of profit (point 10), the Nomination Committee's and Board's complete proposals regarding points 13, 17 and 18, and the Auditor's statement on whether the Board's guidelines on remuneration to leading executives have been followed, are available from the Company and are sent out to those shareholders who require it and state their postal address.

Halmstad, March 2010
HMS Networks AB (publ)
The Board of Directors

HMS is a world-leading supplier of communication technology for industrial automation. Sales in 2009 amounted to SEK 245 million, of which more than 90 per cent was generated outside of Sweden. All development and most production activities are conducted at the head office site in Halmstad. There are sales offices in Tokyo, Beijing, Karlsruhe, Chicago, Milan and Mulhouse. HMS has 155 employees and produces network interface cards and products for connecting different industrial networks under the Anybus® brand. Network interface cards are built into automation equipment such as robots, control systems, motors and sensors. In this way, subcomponents in machinery can communicate with each other and with different networks. Over the past ten years, HMS has achieved average annual organic growth of 25 per cent.