

## **DRAFT RESOLUTIONS TO THE EXTRAORDINARY MEETING OF SHAREHOLDERS OF AS LINDA NEKTAR**

The agenda and the draft resolutions of the extraordinary meeting of shareholders of AS Linda Nektar (register code 10211034, address Valga mnt 4, Kobela small town, Antsla parish, Võru county, Estonia, the **Company**) of 7 September 2017 are the following:

### **Agenda:**

1. Electing of Supervisory Board Member;
2. Determining of Remuneration of Supervisory Board Member Mats Arne Andersson;
3. Approving Terms of Share Option Programme.

### **Draft resolutions:**

#### **1. Electing of Supervisory Board Member**

It was resolved to elect Mats Arne Andersson, date of birth 31.05.1956, as a member of the Supervisory Board of the Company, whose authorities of the member of the Supervisory Board shall start on the date of adoption of this resolution and shall last for 5 years.

#### **2. Determining of Remuneration of Supervisory Board Member Mats Arne Andersson**

It was resolved to set the size of Mats Arne Andersson's remuneration as a Supervisory Board member at the level of 250 euro (gross) per each meeting of the Supervisory Board attended by Mats Arne Andersson. Additionally, reasonable travel costs related to participating in the Supervisory Board meetings shall be compensated to Mats Arne Andersson.

#### **3. Approving Terms of Share Option Programme**

It was resolved to renew the Company's share option programme by cancelling the previous programme adopted with the resolution of the Company's general meeting, dated 09.04.2015, and by adopting a new share option programme on the following terms and conditions:

3.1. Within the share option programme the Company has the right to issue share options, which grant the owners of the share options the right to acquire Company's shares. The purpose of the option programme is to align the interests of the members of the management bodies of the Company and of the key employees thereof with the interests of the shareholders of the Company, raise the level of motivation of the personnel of the Company and achieve improvement of the financial results of the Company.

3.2. The volume of the option programme is up to 3% of the total registered share capital of the Company as at the date of adopting this share option programme.

3.3. The entitled persons under the share option programme are the members of the management bodies of the Company (including members of the Supervisory Board) and the Company's key employees.

3.4. The exact members of the Company's management bodies and key employees eligible to participate in the option programme, and the number of share options to be issued to such persons, shall be determined by the resolution of the Company's Supervisory Board.

3.5. The term of the option programme is 5 years, to which the term of execution of options shall be added.

3.6. The exercise price of the option shall be determined by the Supervisory Board of the Company. The Supervisory Board is entitled to determine the exercise price of the share option to be lower than the last closing price of the Company's share at the Nasdaq Tallinn First North alternative market (as of the date of the respective Supervisory Board resolution), including the right of the Supervisory Board to determine the nominal value of the Company's share as the exercise price of the share option. The exercise price of the share option may be adjusted if it is objectively justified due to corporate changes in the Company. The exact terms and conditions of adjustment shall be set forth in option agreements executed with persons entitled to participate in the option programme.

- 3.7. The term of the options shall be 3 years from the time of being granted.
- 3.8. The share options shall be granted to the eligible persons personally, with no right to transfer, pledge or otherwise encumber the options. The share options are inheritable.
- 3.9. The share options cannot be realized in money. The option holder shall not have a right to claim any compensation if the options are cancelled or become non-executable for any other reason.
- 3.10. Execution of the option programme shall be carried out by way of increasing the Company's share capital and issuing of new shares. The said increase of the Company's share capital shall be resolved by the Company's general meeting of shareholders or by the Supervisory Board, if so authorised by the general meeting.
- 3.11. The Company has the right to decline the execution of the share options and the issuance of the shares to the option holder, fully or partially, if (i) the general meeting of shareholders or the Supervisory Board of the Company does not adopt the resolution on the increase of the Company's share capital and issuance of the new shares; (ii) the option holder's employment relationship or the relationship of the member of a management body has terminated at the initiative of the option holder or due to the extraordinary termination of such relationship by the Company for reasons related to the option holder (e.g. breach of obligations, misconduct, etc.), whereas the Supervisory Board may decide to make exceptions from the said provision; (iii) the Company's financial results have worsened significantly compared to previous periods; (iv) the option holder does not fulfil the performance criteria serving as condition precedent to the execution of the share options under the share option agreement; (v) the information which served as basis for the granting of options turns out to be incorrect or imprecise.
- 3.12. To exclude in connection with the share options issued within the share option programme the pre-emptive right of the Company's shareholders to subscribe for the new shares that are being issued for the purposes of performing the terms and conditions of the option programme.
- 3.13. Option agreements reflecting the terms and conditions referred to above shall be executed with each person eligible to participate in the option programme, whereas the additional terms and conditions not referred to above shall be determined by the Supervisory Board of the Company.
- 3.14. The Company's general meeting of shareholders authorises the Company's Supervisory Board to grant the share options without receiving an each-time approval from the general meeting of shareholders, provided that the options and the option agreements that are being executed for the purpose of their issuance, are in compliance with this option programme.