



## **NOTICE ON CONVENING EXTRAORDINARY MEETING OF SHAREHOLDERS OF AS LINDA NEKTAR**

The Management Board of AS Linda Nektar (register code 10211034, hereinafter also the **Company**) convenes the extraordinary meeting of shareholders, to be held **at 10:00 on 7 September 2017** at the **headquarters of AS LHV Pank (1<sup>st</sup> floor)**, address Tartu mnt 2, 10145 Tallinn, Estonia.

Registration of participants will start at the venue of the meeting at 9.30. Registration will end at 9.50.

The list of shareholders entitled to participate at the general meeting will be fixed **7** days before the general meeting, i.e. as at 11.59 PM on 31 August 2017.

### **For registration, we kindly ask the participants to submit the following documents:**

1. shareholders who are natural persons are required to submit their identity document; representatives must submit a written power of attorney;
2. the representative of a shareholder who is a legal person must submit a valid extract from the register where the person is registered and which provides the right of representation of the shareholder (legal representation), as well as the identity document. Representatives who are not legal representatives must also submit a valid written power of attorney.

A shareholder may inform the Company of the appointment of a representative or withdrawal of the power of attorney prior to the general meeting, by sending the corresponding digitally signed notice to the e-mail address of the Company [info@lindanektar.ee](mailto:info@lindanektar.ee) or by delivering the notice in a format which can be reproduced in writing to the Company's location at Kobela, Antsla parish, Võru county, between 09:00 and 17:00 by using the respective forms published on the webpage of the Company located at <http://www.lindanektar.ee/>. Should a shareholder wish to inform the Company of the appointment of a representative or withdrawal of the power of attorney granted to a representative prior to the general meeting, the corresponding notice must be delivered and received by the Company at the latest by 11.59 PM on 3 September 2017.

Pursuant to the resolution adopted by the Company's Supervisory Board on 14 August 2017, the agenda of the general meeting is as follows, with the proposals of the Supervisory Board set forth under each agenda item:

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

The proposal of the Supervisory Board is 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**

The proposal of the Supervisory Board is 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**

The proposal of the Supervisory Board is 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.

All documents related to the general meeting of the Company (including the notice on convening the general meeting, the draft resolutions, and other documents to be submitted to the general meeting) will be available to the shareholders on the webpage of the Company located at <http://www.lindanektar.ee/> and at the Company's location at Kobela, Antsla parish, Võru county, during working days from 09:00 to 17:00 from the notification of convening the general meeting until the day of the general meeting.

All shareholders shall have the right to receive from the management board information on the Company's operations at the general meeting. The Management Board may refuse to give information, if there is a reason to presume that this may cause significant damage to the interests of the Company. Where the Management Board refuses to give information, a shareholder may demand that the legality of the shareholder's demand be decided by the general meeting or submit, within 2 weeks after the refusal, an application to a court in proceedings on petition in order to obligate the Management Board to give information.

Any questions regarding the agenda items of the general meeting may be addressed to the Company's e-mail address [info@lindanektar.ee](mailto:info@lindanektar.ee).

Shareholders, whose shares represent at least 1/10 of the share capital of the Company may demand the inclusion of additional items into the agenda of the general meeting, if the corresponding claim is filed in writing at least 15 days prior to the general meeting at the e-mail address: [info@lindanektar.ee](mailto:info@lindanektar.ee) or to the Company's location at Kobela, Antsla parish, Võru county.

Shareholders, whose shares represent at least 1/10 of the share capital of the Company, may submit to the Company in writing a draft resolution on each agenda item, by posting the draft to the e-mail address [info@lindanektar.ee](mailto:info@lindanektar.ee) or to the Company's location at Kobela, Antsla parish, Võru county. The draft must be submitted in electronic form or by e-mail so that it would be delivered to and received by the Company no later than 3 days before the general meeting.

Kadri Rauba

Member of the Management Board of AS Linda Nektar