

## Notice of Annual General Meeting of East Capital Explorer AB (publ)

*This is an unofficial translation of the Swedish notice. In case of any discrepancies between the Swedish notice and this English translation, the Swedish notice shall prevail.*

Shareholders of East Capital Explorer AB (publ), 556693-7404, are hereby given notice to attend the Annual General Meeting (“AGM”) to be held on Monday 15 May 2017, at 15:00 CET at IVA's Conference Center, Grev Turegatan 16 in Stockholm. Registration for the meeting will commence at 12:30.

### **Seminar on the development in our investment region**

All shareholders are invited to attend a seminar and discussion, with representatives from East Capital Explorer and external experts regarding the company as well as our portfolio, markets and outlook.

### **Program (CET):**

- 12:30 Registration for the AGM opens (registration is possible until 15:00)
- 13:00 Seminar about East Capital Explorer and our markets
- 14:30 Coffee break
- 15:00 AGM

### **Notification of participation**

In order to be entitled to participate at the AGM, shareholders must be recorded as shareholders in the printout of the share register maintained by Euroclear Sweden AB on Tuesday 9 May 2017 and give notice of their intention to participate at the meeting not later than Tuesday 9 May 2017.

Notice of participation at the AGM may be given either by telephone +46 8 402 90 46, on the website [www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm), or by regular mail to East Capital Explorer AB (publ), Box 7839, 103 98 Stockholm, Sweden. Please state “AGM” on the envelope.

The name, personal identification number (or company registration number), address and telephone number of the shareholder, shareholding and, if applicable, attendance of any representatives or assistants should be provided in the notice of participation. No more than two assistants may attend and only if the number of assistants have been stated in advance.

Personal data collected from powers of attorney and the share register kept by Euroclear Sweden AB will be used for registration and preparation of the voting list for the AGM.

### **Nominee-registered shares**

In order to be entitled to participate at the AGM, shareholders whose shares are registered in the name of a nominee must temporarily re-register the shares in their own name. Such registration must be effected at Euroclear Sweden AB on Tuesday 9 May 2017. Thus, the nominee should be notified in due time prior to this date.

### **Proxies etc.**

Shareholders who are represented by proxy shall issue a power of attorney for the representative. Powers of attorney in original and, for legal entities, certificate of registration should be submitted to the company at the address above in due time prior to the AGM. The power of attorney and certificate of registration may not be older than one year, the power of attorney may however be older if it, according to its wording, is valid for a longer period, maximum five years. The company provides proxy forms on the website [www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm). The proxy form may also be requested by telephone on +46 8 402 90 46.

Please note that shareholders who are represented by proxy must also give notice of participation in accordance with the instructions given above and be registered in their own name with Euroclear Sweden AB on Tuesday 9 May 2017.

## **Number of shares and votes**

At the time of issuing the notice to attend the AGM, the company has a total of 25,661,563 registered shares, with one vote per share. The company holds 788,275 own shares.

## **Right to request information**

Shareholders present at the AGM have a right to request information regarding the matters on the agenda or the company's economic situation in accordance with Chapter 7, Section 32 of the Swedish Companies Act.

## **Admission cards**

Admission cards entitling the holder to participate at the AGM will be distributed prior to the AGM to those shareholders who have given notice of participation. It is expected that shareholders will receive admission cards not later than on Friday 12 May 2017. Any shareholder who has not received an admission card prior to the AGM may obtain an admission card at the information desk at the AGM.

## **Proposed agenda**

1. Opening of the meeting
2. Election of the 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 verify the minutes of the meeting
6. Decision on whether the meeting has been duly convened
7. Presentation of the annual report and the auditors' report, as well as of the consolidated financial statements and the auditors' report for the East Capital Explorer group. In connection therewith:
  - a) address by the chairman of the board of directors including a report on the work of the board of directors
  - b) address by the CEO
  - c) report by the auditor regarding the audit work
8. Resolutions regarding:
  - a) adoption of the income statement and balance sheet as well as of the consolidated income statement and the consolidated balance sheet for the East Capital Explorer group
  - b) disposition of the company's result in accordance with the adopted balance sheet
  - c) discharge from liability of the members of the board of directors and the CEO
9. Report regarding the work of the nomination committee
10. Decision on the number of members of the board of directors
11. Decision on remuneration to the board of directors and the auditor
12. Election of members of the board of directors and chairman of the board of directors
13. Decision regarding the criteria for appointment of the nomination committee
14. Decision on guidelines for remuneration to senior management
15. Resolution on:

- a) reduction of the share capital by way of cancellation of own shares,
  - b) increase of the share capital by way of bonus issue, and
  - c) reduction of the share capital by way of cancellation of own shares
16. Resolution regarding authorization for the board of directors to acquire own shares
17. Resolution regarding amendment of the articles of association
18. Closing of the meeting

### **The nomination committee's proposals**

The nomination committee which has consisted of Magnus Lekander, chairman of the committee (East Capital), David Bliss (Lazard Asset Management), Mathias Svensson (Keel Capital) and Lars O Grönstedt (chairman of the board of directors of East Capital Explorer), proposes the following:

#### **2. Election of the chairman of the meeting**

Björn Kristiansson, Hannes Snellman Advokatbyrå, is appointed chairman of the meeting.

#### **10. Decision on the number of members of the board of directors**

The board of directors shall consist of five members.

#### **11. Decision on remuneration to the board of Directors and the auditor**

Remuneration to the board remain unchanged at SEK 1,200,000 to the chairman and SEK 400,000 to the other members of the board of directors. No additional remuneration for any committee work is proposed.

The remuneration to a board member may, subject to a specific agreement with the company, be invoiced through a company or entity. In order for the company to enjoy cost neutrality, the invoiced remuneration shall be adjusted for social security charges and value added tax.

Fees to the auditor are based on approved invoices.

#### **12. Election of members of the board of Directors and chairman of the board of Directors**

Re-election, for the period up until the end of the next AGM, of Lars O Grönstedt, Peter Elam Håkansson, Liselotte Hjorth, Nadya Wells and Göran Bronner. Lars O Grönstedt is proposed to be re-elected as chairman of the board. Information about the board members is available on the company's website.

#### **13. Decision regarding the criteria for appointment of the nomination committee**

The nomination committee shall consist of a minimum of three and maximum of four members (to be decided by the chairman of the board of directors), of which up to three members shall be appointed by the three shareholders (or group of shareholders) controlling the largest number of votes in the company that wish to appoint a representative. In addition, the chairman of the board of directors (who shall convene the first meeting) shall be on the nomination committee. The term of office for the nomination committee is until a new nomination committee has been appointed. Unless the committee members decide otherwise, the chairman of the nomination committee shall be the member that represents the shareholder with the largest shareholding in the company. The selection of the three largest shareholders shall be made on the basis of the share register of the company kept by Euroclear Sweden AB as of the last banking day in August and other reliable shareholder information the company has obtained at this time.

### **The board of directors' proposals**

#### **8. b) Disposition of the company's result**

The board of directors proposes a dividend to the shareholders corresponding to 0.90 SEK per share and that the remaining profits are carried forward. The proposed record day for the right to receive dividend is

Wednesday 17 May 2017. If the AGM resolves in accordance with the proposal, the dividend is expected to be paid out via Euroclear Sweden AB on Monday 22 May 2017.

#### **14. Guidelines for remuneration to senior management**

”Senior Management” refers to the CEO, CIO and CFO. The company shall offer a total remuneration in line with market conditions which will enable the company to recruit and retain the most suitable executives. The remuneration to the CEO, CIO and CFO shall consist of fixed and variable salary, pension and insurance benefits as well as other customary benefits subject to approval by the board of directors. The board of directors decides in its discretion according to certain key performance indicators, based on the Senior Management’s performances, whether or not they shall receive any variable salary. The Senior Management may receive variable salary corresponding to maximum 50 percent of the fixed salary. The Senior Management have individual premium-based pension plans, pursuant to which the company pays premiums corresponding to 10 percent of their respective fixed salaries up to ten Swedish income base amounts and premiums corresponding to 20 percent of the fixed salaries on the portion of the fixed salaries that exceeds ten Swedish income base amounts. These guidelines shall apply to the current employment agreements and to employment agreements entered into after a decision is taken by the general meeting in respect of these guidelines. The board of directors shall have the right to deviate from the principles adopted by the AGM if special reasons are at hand in an individual case.

#### **15. Resolution on a) reduction of the share capital by way of cancellation of own shares, b) increase of the share capital by way of bonus issue, and c) reduction of the share capital by way of cancellation of own shares**

##### **a) Reduction of the share capital by way of cancellation of own shares**

The board of directors proposes that the AGM resolves to reduce the share capital by way of cancellation of own shares. The purpose of the reduction is allocation to unrestricted shareholders’ equity to be used as decided by the AGM in accordance with item b) below. The reduction of the share capital shall be made by cancellation of those own shares that are held by the company approximately three weeks prior to the AGM. The reduction of the share capital may be made with a total of no more than EUR 171,000 by way of cancellation of a total of no more than 1,200,000 shares. The exact reduction amount and the exact number of shares proposed to be cancelled will be presented in the complete proposal, which will be held available no later than three weeks prior to the AGM.

The resolution to reduce the share capital under this item a) may be effectuated without obtaining an authorization from the Swedish Companies Registration Office or, in disputed cases, a court of general jurisdiction as the company simultaneously effectuates a bonus issues as set out under item b) below, with an amount corresponding to no less than the amount the share capital is being reduced with as set out above. Combined, these measures entail that neither the company’s restricted equity nor its share capital is reduced.

##### **b) Increase of the share capital by way of bonus issue**

With the purpose of restoring the share capital after the proposed reduction of the share capital as set out under item a) above, the board of directors proposes that the AGM simultaneously resolves to increase the share capital by way of a bonus issue with an amount not less than the amount corresponding to the amount the share capital is reduced with by way of cancellation of shares as set out under item a) above. The bonus issue shall be carried out with the amount being transferred from unrestricted equity without the issuance of new shares. The exact amount of the increase will be presented in the complete proposal, which will be held available no later than three weeks prior to the AGM.

##### **c) Reduction of the share capital by way of cancellation of own shares**

The board of directors proposes that the AGM resolves to reduce the share capital by way of cancellation of own shares. The purpose of the reduction is allocation to unrestricted equity. The reduction of the share capital shall be made by cancellation of those own shares that are held by the company at the date of the notification of the decision to the Swedish Companies Registration Office. The maximum reduction amount

and the maximum number of shares to be cancelled will be presented in the complete proposal, which will be held available no later than three weeks prior to the AGM.

Under the Swedish Companies Act, the decision on reduction may only be effectuated following registration of the decision with the Swedish Companies Office and after authorization from the Swedish Companies Office has been obtained. The board of directors shall report the decision for registration in the Companies Register within four months from the decision on the reduction of the share capital.

Resolutions by the AGM in accordance with item 15 a) and b) above shall be adopted as a joint decision. Resolutions in accordance with item 15 a) – c) above require that shareholders representing no less than two thirds of the votes cast as well as the shares represented at the AGM approve the resolution. The board of directors further proposes that the AGM authorizes the board of directors to make such minor adjustments to the above resolutions as may be required to register the resolutions with the Swedish Companies Registration Office or Euroclear Sweden AB and to take the measures required to execute the resolutions.

#### **16. Authorization to acquire own shares**

The board of directors proposes that the AGM resolves to authorize the board of directors to acquire the company's own shares, under the following conditions:

1. The share purchases shall take place on Nasdaq Stockholm at a price within the registered share price interval from time to time, which means the spread between the highest buying price and the lowest selling price prevailing from time to time on the exchange.
2. Purchases may also be made in accordance with an offer directed to all shareholders with a cash consideration not below the market price at the time of the offer and with a maximum upward deviation of 20 percent.
3. The company may only purchase so many shares that the company's holding of its own shares does not at any time exceed 10 per cent of all the shares in the company.
4. Payment for the shares shall be made in cash.
5. The authorization may be utilized on one or more occasions, however not longer than until the next AGM.

A resolution to acquire own shares in accordance with this proposal will only comprise ordinary shares.

The purpose of this authorization to acquire own shares in the company is to enable the board of directors to adjust the capital structure and thereby generate a higher value for the shareholders.

A resolution in accordance with item 16 above require that shareholders representing no less than two thirds of the votes cast as well as the shares represented at the AGM approve the resolution.

#### **17. Resolution regarding amendment of the articles of association**

The board of directors proposes that § 1 "Registered name" of the company's articles of association is amended. The proposal regarding new company name will be made available no later than three weeks prior to the AGM.

A resolution in accordance with item 17 above require that shareholders representing no less than two thirds of the votes cast as well as the shares represented at the AGM approve the resolution.

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#### **Available documents**

Annual accounts including the auditor's report as well as the complete proposals and statements according to the Swedish Companies Act together with pertaining statements by the auditor will be available at the office of East Capital Explorer on Kungsgatan 35 in Stockholm and on the website

# EAST CAPITAL EXPLORER

[www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm) no later than three weeks prior to the AGM. Copies of the documentation and the notice will be sent free of charge to shareholders who so request and state their postal address.

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Stockholm in April 2017  
EAST CAPITAL EXPLORER AB (publ)  
*Board of Directors*