



## **Notice of Annual General Meeting of Eastnine 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 Eastnine AB (publ), 556693-7404, are hereby given notice to attend the Annual General Meeting (“**AGM**”) to be held on Tuesday 12 May 2020, at 15:00 CET at IVA Konferenscenter, Grev Turegatan 16 in Stockholm. Registration for the meeting will commence at 14:30.

### **Information with regards to the corona virus**

This year’s AGM will be very reduced due to the corona virus (COVID-19). Eastnine wishes to remind shareholders worried about the spread of infection due to COVID-19 about the possibility not to attend in person at the Company’s AGM. Instead they can appoint a proxy holder who can vote on their behalf. Eastnine is also encouraging anyone who has visited an area with widespread infection – or who have been in close contact with someone who visited such area – to use a proxy for voting at the AGM. The purpose is to avoid further spreading the infection.

Shareholders who want to authorise a proxy holder can find relevant documents on Eastnine’s website, [www.eastnine.com](http://www.eastnine.com)

The Company may publish certain presentations electronically. A presentation from the CEO will be published on the Company’s website on the day of the AGM. Please see Eastnine’s website for the latest information regarding the AGM’s practical execution.

For up-to-date general information about the corona virus and the COVID-19 disease, please read more at the Public Health Agency of Sweden’s website.

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

No seminar session will be held and there will be no coffee or other arrangements. Only short speeches will be held during the AGM and all Board members may not be present.

14:30 Registration for the AGM opens (registration is possible until 15:00)

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 Wednesday 6 May 2020 and give notice of their intention to participate at the meeting not later than Wednesday 6 May 2020.

Notice of participation at the AGM may be given either by telephone +46 8 505 97 700, on the website [www.eastnine.com/agm](http://www.eastnine.com/agm), or by regular mail to Eastnine AB (publ), “AGM”; Box 7214, 103 88 Stockholm, Sweden.

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 has 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 Wednesday 6 May 2020. 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. Power 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.eastnine.com/agm](http://www.eastnine.com/agm). The proxy form may also be requested by telephone on +46 8 505 97 700.

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 Wednesday 6 May 2020.

### **Number of shares and votes**

At the time of issuing the notice to attend the AGM, the company has a total of 22,370,261 registered shares, with one vote per share. The company holds 1,221,200 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**

No admission cards will be sent out prior to the AGM. Valid identification document shall be brought to the AGM for registration of attendance and entering to 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 Eastnine group.
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 Eastnine 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. Decision on the number of members of the board of directors, auditors and deputy auditors
10. Decision on remuneration to the board of directors and the auditor
11. Election of members of the board of directors and chairman of the board of directors
12. Election of auditor
13. Decision on guidelines for remuneration to senior management
14. Resolution regarding authorization for the board of directors to transfer own shares
15. Resolution on:
  - a) the establishment of LTIP; and
  - b) transfer of own shares to the participants in LTIP
16. Resolution regarding authorization for the board of directors to acquire own shares
17. Closing of the meeting

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

The Nomination Committee consists of Magnus Lekander, Chairman of the Nomination Committee (East Capital), David Bliss (Lazard Asset Management), Mathias Svensson (Keel Capital) and Liselotte Hjorth (Chairman of the Board of Eastnine).

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

Björn Kristiansson, KANTER Advokatbyrå, is appointed chairman of the meeting

### **9. Election of the number of board members, auditors and deputy auditors**

The board of directors shall consist of five (5) members.

The Nomination Committee proposes that the number of auditors shall be one (1) registered audit firm without a deputy auditor.

### **10. Decision on remuneration to the board of directors and the auditor**

The remuneration to the chairman of the board of directors shall amount to SEK 800 000 and to other board members to SEK 400 000 for each board member respectively. It is proposed that no additional remuneration shall be paid due for committee work.

## **11. Election of members of the board of directors and chairman of the board of directors**

That Liselotte Hjorth, Peter Elam Håkansson and Peter Wågström are re-elected for the time until the end of the next AGM, and that Ylva Sarby Westman and Christian Hermelin is elected as a new member. Johan Ljungberg and Nadya Wells have declined re-election. It is proposed that Liselotte Hjorth is re-elected as the chairman of the board of directors.

Information about the board members can be found on the company's website.

## **12. Election of auditor**

The Nomination Committee proposes re-election of the registered audit firm KPMG as auditor, with the authorized auditor Peter Dahllöf as the auditor in charge. The auditor's term of office is proposed to be valid until the end of the AGM 2021. The Nomination Committee's proposal is in line with the recommendation of the board of directors, which acts as an Audit Committee. Neither the Nomination Committee's proposal nor the Board's recommendation to the auditor has been affected by third parties or has been forced by any contractual terms that limited the freedom of choice in the auditor's election.

## **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 SEK 2.70 per share and that the remaining profits are carried forward. The board of directors proposes that the dividend is distributed on two payment occasions of SEK 1.35 per share and dividend occasion. As the first record date for the dividend, Thursday 14 May 2020 is proposed and as the second record date, Monday 16 November 2020 is proposed. If the AGM resolves in accordance with the proposal, it is expected that Euroclear Sweden AB will distribute the dividend payment on Tuesday 19 May 2020 and Thursday 19 November 2020, respectively.

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

The Board of Directors proposes the following guidelines for remuneration to senior management in Eastnine. The remuneration guidelines have been developed taking into account the new EU rules on shareholders' rights, which have been implemented through amendments to the Swedish Companies Act and the Swedish Code of Corporate Governance.

Proposal for guidelines for executive remuneration

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

CEO and deputy CEO, any other persons within the management as well as Board members to the extent that they receive remuneration in addition to Board fees, fall within the provisions of these guidelines. The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting. These guidelines do not apply to any remuneration resolved or approved by the General Meeting.

*The guidelines' promotion of the company's business strategy, long-term interests and sustainability*

# eastnine

Eastnine's vision is to create and provide the best meeting places where ideas can flow, people can meet and successful business operations develop. The company's business concept is to be the leading, long-term supplier of modern and sustainable office space in prime locations in the Baltic capitals.

For more information regarding the company's business strategy, please see [www.eastnine.com](http://www.eastnine.com)

The company shall have the remuneration levels and terms of employment required to recruit and retain expertise and necessary capacity.

The long-term share-related incentive plan proposed by the Board of Directors and submitted to the Annual General Meeting 2020 for approval is excluded from these guidelines.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

## *Types of remuneration, etc.*

The remuneration for executives can consist of fixed cash salary, variable cash remuneration, pension and insurance benefits, and other customary benefits. Additionally, the General Meeting may – irrespective of these guidelines – resolve on, among other things, long-term share-based or share-related incentive programs/remuneration.

The Board of Directors decide at its discretion, according to established internal performance-based goals, whether a variable cash remuneration should be paid to the executives. The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. Variable cash remuneration may amount to not more than 50 per cent of the fixed salary.

Additionally, the executives are entitled to an individual premium-based pension plan according to which the company pays premiums corresponding to a maximum of 4.5 per cent of the fixed salary up to 7.5 income base amounts, and premiums corresponding to a maximum of 30 per cent on salary components exceeding 7.5 income base amounts.

Other benefits may include, for example, health insurance, health care and car benefits. Such benefits may amount to not more than 10 per cent of the fixed salary.

## *Termination of employment*

The notice period may not exceed twelve months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the CEO's fixed cash salary for twelve months, and twelve months for other executives. The period of notice may not to exceed six months without any right to severance pay when termination is made by the executive.

Within the remuneration, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall be the difference between the fixed monthly salary and the lower income the employee receives and be paid during

the time the non-compete undertaking applies, which shall not be for more than 6 months following the termination of employment

### *Salary and employment conditions for employees*

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

### *The decision-making process to determine, review and implement the guidelines*

Within Eastnine's Board of Directors there is no Remuneration Committee, but all issues are dealt by the Board of Directors as a whole. The matters that would have been done by the Remuneration Committee are instead done by the Board of Directors, *inter alia*, preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Board of Directors shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

### *Derogation from the guidelines*

The Board of Directors may resolve to derogate from the guidelines resolved by the General Meeting, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Board of Directors' tasks include preparing the resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

## **14. Authorization to transfer own shares**

The board of directors proposes that the AGM resolves to authorize the board of directors to transfer own shares, under the following conditions:

1. The share may be transferred on Nasdaq Stockholm or otherwise.
2. Transfer may take place with or without deviation from the shareholders' preferential rights.
3. Transfer on Nasdaq Stockholm may take place at a price per share 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.
4. The authorization covers all shares held by the company from time to time.
5. Payment for the shares shall be made in cash, contributions in-kind or set-off.

6. The authorization may be utilized on one or more occasions, however not longer than until the next AGM.

The purpose of the authorization to transfer own shares and the reasons for any deviation from the shareholders' preferential rights is to enable the board of directors an opportunity to adjust the company's capital structure and to use repurchased owned shares as payment for or financing of acquisitions or investments in order to create increased value for the shareholders.

A resolution in accordance with item 14 above requires that shareholders representing no less than two thirds of the votes cast as well as the shares represented at the AGM approve the resolution.

## **15. Resolution regarding (a) the establishment of LTIP 2020, and (b) transfers of own shares to the participants in LTIP 2020**

The board of directors proposes that the annual general meeting resolves to establish a long-term incentive programme ("**LTIP 2020**") directed to employees of the group in accordance with the following. The board of directors intends to propose long-term incentive programmes similar to LTIP 2020 to the annual general meetings to be held the coming years.

### **LTIP 2020 in brief**

The board of directors' proposals involves the establishment of LTIP 2020 under which the employees in total may be granted a maximum of 65,000 shares in the company subject to the satisfaction of certain vesting requirements (see the proposal under item (a) below) and, for the purpose of ensuring delivery of shares, transfers of 65,000 own shares (see the proposal under item (b) below).

The rationale for LTIP 2020 is to promote shareholder value and the company's long-term value creation capability by creating conditions for retaining and recruiting competent personnel, increasing the motivation amongst the participants, promoting a personal shareholding as well as aligning the participants' interest with the interest of the company's shareholders.

The company has an outstanding long-term incentive programme resolved upon on the annual general meeting 2018.

### **(a) Establishment of LTIP 2020**

The board of directors proposes that LTIP 2020 be established in accordance with the following principal terms and conditions.

1. LTIP 2020 is directed to employees of the group who have been employed since 1 January 2020, divided into the following three categories: Category A (CEO), Category B (CFO and other senior executives, approx. ten persons) and Category C (other employees, approx. ten persons), collectively referred to as the "**Participants**".
2. Participation in LTIP 2020 requires that the Participant has a personal shareholding in the company with a value corresponding to one month of the Participants annual gross fixed salary as of 1 April 2020 ("**Fixed Salary**" and "**Participation Shares**"). If applicable insider

rules and regulations prohibit a Participant from purchasing Participation Shares in the company prior to applying to participate in LTIP 2020 and during the period up until 30 June 2020, the board of directors has the right to postpone the last day of investment for such Participant.

3. Each Participant shall receive performance shares rights free of charge (“**Share Rights**”) and each Share Right entitles the Participant to receive up to one share in the company (“**Performance Shares**”), subject to the satisfaction of the performance requirements.
4. Performance Shares are expected to be allotted to the Participants within 45 days from the publication of the company’s interim report for January–June 2023, however, the board of directors shall be entitled to adjust such date. The period from 30 June 2020 up until the date of the publication of the company’s interim report immediately following the third anniversary of the implementation of LTIP 2020 is below referred to as the “**Vesting Period**”.
5. The allotment of Performance Shares is conditional upon the Participant’s employment not having been terminated and the Participation Shares being retained by the Participant during the entire Vesting Period. The board of directors has the discretion to waive this condition for good leavers (for example, where employment is terminated as a result of the Participant’s long-term illness, disability or death) or if the employer has given notice of termination of the Participant’s employment due to redundancy (Sw. *arbetsbrist*). In such case, the board of directors shall determine the number of Performance Shares to be allotted adjusted for the number of days in the Vesting Period which the Participant was employed and the allotment shall be determined based on the satisfaction of the performance requirements.
6. The number of Share Rights allotted to a Participant shall be calculated by dividing a certain percentage as determined by the board of directors of up to 50 per cent of the Participant’s Fixed Salary with the share price corresponding to the volume weighted average price of the company’s shares on Nasdaq Stockholm during the ten trading days immediately prior to the allotment of the Share Rights (“**Initial Share Price**”).
7. The total number of allotted Share Rights shall not exceed 65,000. If the Initial Share Price would result in a higher total number of Share Rights, the number of Share Rights allotted to the Participants shall be adjusted downwards on a *pro rata* basis.
8. Should the Share Price at Allotment of the Performance Shares (as defined below) exceed 300 per cent of the Initial Share Price (the “**Share Price Cap**”), the number of Performance Shares to be allotted shall be reduced by way of multiplying the number of Share Rights that entitle to allotment by a factor equal to the Share Price Cap divided by the Share Price at Allotment. The value of the company’s shares in connection with allotment (the “**Share Price at Allotment**”) shall be calculated based on the volume weighted average price of the company’s share on Nasdaq Stockholm during the ten trading days immediately following the publication of the company’s interim report for the period January–June 2023.



9. If the Participant is absent due to sick leave or other long-term absence (not including parental leave, vacation or similar) for more than four weeks in total during a fiscal year or is part-time employed during the Vesting Period, the Participant's Share Rights will be reduced on a *pro rata* basis. However, if the Participant has a disability, consideration will be given to making an adjustment to any allotment due depending on the circumstances of the individual case.
10. In order to further increase alignment between the long term interests of the Participants and the company's shareholders, a requirement for participation in the company's long term incentive programmes going forward shall be that Participants in Categories A and B retain at least 50 per cent of all allotted Performance Shares (net of tax for such allotment) until the Participant's shareholding in the company is equal in value to the Participant's Fixed Salary.
11. The Allotment of Performance Shares is conditional upon the degree of satisfaction of the performance requirements set out below compared to minimum and maximum target levels as determined by the board of directors during the relevant measurement periods. Each performance requirement represents one third (1/3) of the total LTIP 2020 allotment of Performance Shares. Fractions of the allotted Performance Shares shall be rounded-off to the immediate lower whole number.
  - **Requirement 1**

The development of the company's return on equity, *i.e.* average profits/losses related to the average shareholder's equity, during the period 1 July 2020–30 June 2023.
  - **Requirement 2**

The size of the company's profits from property management during the period 1 April 2023–30 June 2023.
  - **Requirement 3**

The percentile ranking of the company's total shareholder returns, *i.e.* average share price growth including any dividends, during the period 1 April 2020–30 June 2023 compared to a peer group (the "**Peer Group**") consisting of 20 European real estate companies<sup>1</sup>.
12. If the minimum level of a performance requirement is not reached, no Performance Shares under that performance requirement will be allotted, whereas if the maximum level is reached, one third (1/3) of the maximum number of Performance Shares under LTIP 2020 will be allotted. If the outcome falls between the minimum level and the maximum level, a linear *pro rata* allotment of Performance Shares for the relevant performance requirement shall apply.
13. The board of directors will determine the level of satisfaction of each of the performance requirements and intends to present the satisfaction level in the company's interim report

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<sup>1</sup>The reference group consists of the following companies: Alstria Office, CA Immo, Covivio, Derwent London, Entra, Fabege, Gecina, Klövern, Kungsleden, Workspace Group, Wihlborgs, Globalworth, Globe Trade Center, CLS Holdings, Immofinanz, Norwegian Property, PSP Swiss Property, Aroundtown, DEMIRE Real Estate AG and Atrium Ljungberg. Total shareholder return will be measured in EUR for all companies in line with best practice.



made public at the end of the Vesting Period. Performance Shares are expected to be allotted to the Participants within 45 days from the end of the Vesting Period.

14. In order to maintain representative and relevant performance requirements during the Vesting Period, the board of directors may adjust the Peer Group or determine other performance benchmarks for Requirement 1–3.
15. The number of Share Rights and the Share Price Cap may be recalculated by the board of directors in the event of share issues, share splits, reversed share splits, merger, reduction of share capital or any similar event that may affect the capital structure of the company. When determining the final vesting level for the allotment of Performance Shares, the board of directors shall examine whether the vesting level as well as the performance requirements are reasonable considering the company's financial results and position, conditions on the stock market and other circumstances, and if not, as determined by the board of directors, change the vesting level as deemed appropriate by the board of directors.
16. The company will not compensate the Participants for any dividends during the Vesting Period. The Share Rights must not be assigned, pledged or disposed of in any way (except in the event of the Participant's death, to his or her beneficiaries) and will lapse immediately on any attempt to do so or if the Participant is declared bankrupt. Participants are not entitled to perform any shareholder's rights regarding the Share Rights during the Vesting Period. If a Participant is subject to a disciplinary process or there is a dispute pending or threatened, the board of directors may delay allotment of Performance Shares until the conclusion of such a process.
17. If significant changes occur in the company or on the market, or in the event the costs for LTIP 2020 significantly exceed the estimated costs, and this, in the opinion of the board of directors, results in a situation where the conditions for allotment of Performance Shares become unreasonable or no longer appropriate, the board of directors is entitled to adopt different conditions or make adjustments to LTIP 2020, including, among other things, to resolve on a reduced allotment of Performance Shares, or to not allot any Performance Shares at all.
18. In case a public offer for all shares in the company is completed resulting in the offeror owning more than 90 per cent of the shares in the company, LTIP 2020 shall be closed down by the earlier execution of any outstanding Share Rights and amending the vesting and performance requirements in proportion to the time elapsed since the implementation of LTIP 2020 and the last measurable point of performance prior to the completion of the public offer.
19. Participation in LTIP 2020 requires that it is permitted and appropriate with regard to applicable laws and regulations in the jurisdiction in which the relevant Participant is resident and that the board of directors deems it feasible at reasonable administrative and financial costs.
20. In the event delivery of Performance Shares to a Participant cannot take place under applicable law or at reasonable cost or with reasonable administrative effort, the board of

directors may pay a part of or the entire allotment to such Participant in cash instead of shares.

21. The board of directors may retain allotted Performance Shares and settle a part of the allotment in cash in order to facilitate the payment of the Participants' tax liabilities.
22. The board of directors is responsible for the detailed design and implementation of LTIP 2020. Accordingly, the board of directors is to prepare and execute any necessary full-text documentation to the Participants and otherwise manage and administer LTIP 2020.

## **(b) Transfer of own shares**

The board of directors proposes, for the purpose of securing delivery of shares under LTIP 2020, that a maximum of 65,000 own shares be transferred to the Participants on the following terms and conditions.

1. The right to receive shares shall, with deviation from the shareholders' preferential rights, be granted to the Participants, with right for each of the Participants to receive no more than the maximum number of shares allowed under the terms and conditions of LTIP 2020. Furthermore, subsidiaries within the group shall have the right to receive shares, free of consideration, and such subsidiaries shall be obligated to immediately transfer, free of consideration, such shares to the Participants in accordance with the terms and conditions of LTIP 2020.
2. The Participants' right to receive shares are conditional upon the fulfilment of the terms and conditions of LTIP 2020.
3. The shares shall be transferred within the time period set out in the terms and conditions of LTIP 2020.
4. The shares shall be transferred free of charge.
5. The number of shares that may be transferred to the Participants may be recalculated in the event of share issues, share splits, reversed share splits or similar events having an impact on the total number of shares in the company or otherwise in accordance with the terms and conditions of LTIP 2020.

## **Hedging arrangements**

The company intends to use up to 85,000 own shares previously repurchased (corresponding to approx. 0.4 % of the total number of shares) in order to ensure the delivery of shares to the Participants and to secure and cover the costs that arise as a result of LTIP 2020 (for example social security charges and tax). The Board thus do not propose any further actions to hedge the company's obligations under LTIP 2020. In the event that the required majority for approval to transfer shares to the Participants is not reached under item (b) above, the board of directors intends to hedge the financial exposure of the LTIP 2020 by the company entering into an equity swap agreement with a third party, under which the third party shall, in its own name, acquire and transfer shares in the company to Participants covered by the LTIP 2020.

## **Estimated costs and dilution for LTIP 2020**

The costs for LTIP 2020 will be calculated in accordance with IFRS 2 and distributed over the Vesting Period.

Assuming that one third (1/3) of the maximum number of Performance Shares are allotted, resulting in the allotment of 17,300 Performance Shares, an Initial Share Price of SEK 104, and an annual share price increase of 5 per cent during the Vesting Period, the total cost for LTIP 2020, including social security costs, is estimated to approximately EUR 0.25 million.

Assuming that the maximum number of Performance Shares are allotted, resulting in the allotment of 52,000 Performance Shares, an Initial Share Price of SEK 104, and an annual share price increase of 5 per cent during the Vesting Period, the total cost for LTIP 2020, including social security costs, is estimated to approximately EUR 0.73 million.

The costs should be viewed in relation to the company's total costs for salaries and other remuneration to employees, which for 2019 amounted to EUR 2.56 million, including social security costs.

## **Effect on key ratios**

The company will not issue any new shares due to LTIP 2020, but intends to use up to 85,000 shares held in treasury for delivery to the Participants and for hedging of costs for LTIP 2020. The costs for LTIP 2020 are expected to have a marginal effect on the group's key ratios.

## **Preparation of the board of directors' proposal**

The proposal has been prepared by the board of directors in consultation with external advisors.

## **Majority vote requirements**

The board of directors' proposals under item (a) is valid only if supported by shareholders holding not less than half of the votes cast represented at the meeting and (b) is valid only if supported by shareholders holding not less than nine tenths (9/10) of both the votes cast and the shares represented at the meeting.

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

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 may take place on Nasdaq Stockholm at a price per share 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 percent 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.

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 requires 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 Eastnine on Kungsgatan 30 in Stockholm and on the website [www.eastnine.com/agm](http://www.eastnine.com/agm) no later than Tuesday 21 April 2020. 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 2020  
EASTNINE AB (publ)  
*Board of Directors*