

**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 Tuesday 21 April 2015, 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 also invited to attend a seminar and discussion with representatives from East Capital Explorer, the portfolio companies and East Capital's Investment Management team regarding the development of our portfolio and our investment region.

**Program (CET):**

- 12:30 Registration for the AGM opens (registration is possible until 15:00)
- 13:00 East Capital Explorer on developments in 2014 and prospects for 2015 and onwards
- 13:15 Presentation of the largest portfolio holdings and discussion regarding the development in our investment region, followed by a Q&A session
  - Kestutis Sasnauskas, Head of Private Equity at East Capital
  - Toomas Tiivel, CEO at Starman
  - Marcus Svedberg, Chief Economist at East Capital
- 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 Wednesday 15 April 2015 and give notice of their intention to participate at the meeting not later than Wednesday 15 April 2015 at 16:00.

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 Wednesday 15 April 2015. 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 Wednesday 15 April 2015.

**Number of shares and votes**

At the time of issuing the notice to attend the AGM, the company has a total of 29,943,260 registered shares, with one vote per share. The company does not hold any 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 (2005:551).

**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 Thursday 16 April 2015. 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, auditors and deputy auditors
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. Election of auditor
14. Decision regarding the criteria for appointment of the nomination committee
15. Decision on guidelines for remuneration to senior management
16. Resolution regarding authorization for the board of directors to acquire own shares
17. Resolutions
  - a) reduce the share capital by way of voluntary redemption of the company's shares for repayment to the shareholders, and to
  - b) increase the share capital by way of a bonus issue
18. Closing of the meeting

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

The nomination committee consisting of Peter Elam Håkansson, chairman of the committee (East Capital), Pia Axelsson (Fourth Swedish National Pension Fund), Pehr-Olof Malmström (Danske Capital), Paul Bergqvist (chairman of the board of directors of East Capital Explorer) and Mathias Pedersen (representative of East Capital) proposes the following:

**2.** Svante Johansson is appointed chairman of the meeting.

**10.** The board of directors shall consist of 3-6 members. The company's auditor shall be a registered accounting firm with no deputy auditors.

**11.** Remuneration to the chairman of the board remains unchanged at SEK 770,000 and remuneration to other members of the board of directors not employed in the East Capital group remains unchanged at SEK 330,000 for each member of the board of directors. Directors that are employed by the East Capital group receive no remuneration.

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.

Remuneration to the chairman of the audit committee remains unchanged at SEK 100,000 and remuneration to the other members of the audit committee remains unchanged at SEK 50,000 for each member of the audit committee.

Fees to the auditor are based on approved invoices.

**12.** At the time of publication of the notice the Company has not received a proposal from the nomination committee concerning proposed members of the board of directors. The nomination committee will continue their work and the proposal will be published as soon as the Company receives it.

**13.** Re-election of KPMG as auditor up until the end of the annual general meeting 2019. KPMG will be instructed to substitute the auditor in charge when so required according to the Swedish Companies Act.

**14.** The nomination committee shall consist of a minimum of three and maximum of five 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. The other members of the committee are the chairman of the board of directors (who shall convene the first meeting) and a representative from East Capital. The composition of the nomination committee may change due to partial or total changes of a shareholder's shareholding in the company. 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 2015 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 no dividend is paid and that the year's loss be carried forward.

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

"Senior Management" refers to the CEO 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 and CFO shall consist of fixed and variable salary and pension and insurance benefits. The board of directors decides in its discretion according to certain key performance indicators, based on the CEO's and CFO's performances, whether or not the CEO and CFO shall receive any variable salary. The CEO and CFO may receive variable salary corresponding to maximum 50 percent of the fixed salary. The CEO and CFO 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.

#### **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 purchases shall be made in accordance with the rules regarding purchase and sale of company's own shares in the Rule Book for Issuers of Nasdaq Stockholm.
4. 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.
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 valid resolution by the AGM in accordance with the board of directors' proposal on this item requires that shareholders with not less than two thirds of both the votes cast and shares represented at the meeting vote in favour of the proposal.

**17. Resolution to (a) reduce the share capital by way of a voluntary redemption of the company's shares for repayment to the shareholders, and (b) increase the share capital by way of a bonus issue**

The board of directors proposes the AGM to reduce the company's share capital by way of redemption of shares. Furthermore, the board of directors proposes the AGM to increase the company's share capital by way of a bonus issue with an amount corresponding to the amount the share capital is being reduced with by way of redemption of shares in accordance with the above. Therefore, the board of directors proposes that the AGM resolves in accordance with the following. The AGM's resolution according to the board of directors' two proposals below shall be passed together as one resolution.

**a) Reduction of the share capital by way of a voluntary redemption of the company's shares for repayment to the shareholders**

The board of directors proposes that the AGM resolves to reduce the company's share capital with a total of not more than EUR 182,507.7359. The reduction shall be effectuated by way of a redemption of not more than 1,497,163 shares, each share with a quota value of approximately EUR 0.1219, for repayment to the shareholders with a total amount of not more than SEK 124,264,529 (corresponding to EUR 13,454,367)<sup>1</sup>.

The reduction for repayment to the shareholders shall be effectuated by way of a voluntary redemption (as further stated in item 1-8 below) where the shares that shall be finally redeemed are the shares for which redemption have been called for by the company's shareholders.

1. The right to call for redemption shall belong to shareholders with redemption rights. Each shareholder shall receive one (1) redemption right per share held and twenty (20) redemption rights shall entitle the shareholder to call for redemption of one (1) share in the company.
2. For each share being redeemed the Company shall pay an amount of SEK 83.00 (corresponding to EUR 8.9866)<sup>1</sup> (the "**Redemption Amount**"). The Redemption Amount corresponds to the company's net asset value per share on 31 December 2014. The Redemption Amount exceeds the shares' quota value by EUR 8.8647. The part of the Redemption Amount exceeding the shares' quota value shall be taken from the company's unrestricted equity.
3. Last day of trading in shares including redemption rights shall be 19 May 2015.
4. Record day for the right to receive redemption rights shall be 21 May 2015.
5. The application period to call for redemption shall be from and including 26 May 2015 to and including 22 June 2015.
6. Trading in redemption rights at Nasdaq Stockholm is intended to take place from and including 26 May 2015 to and including 17 June 2015.
7. Payment of the Redemption Amount shall take place no later than the tenth business day following the day when the resolution of the reduction of the share capital and the resolution of the bonus issue have been registered with the Swedish Companies Registration Office.
8. Receivers of redemption rights shall have the right to sell a maximum of 500 redemption rights free of commission. Application for commission-free sale shall be made during the period from and including 26 May 2015 to and including 12 June 2015.

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<sup>1</sup> EUR 1 = SEK 9.2360 based on the exchange rate on 19 March 2015.

**b) Increasing the share capital by way of a bonus issue**

With the purpose to restore the share capital after the proposed reduction of the share capital as set out above, the board of directors proposes that the AGM simultaneously resolves to increase the share capital by way of a bonus issue by not more than EUR 182,507.7359 through a transfer of not more than EUR 182,507.7359 from the company's non-restricted equity. No new shares shall be issued in connection with the bonus issue.

The board of directors and the CEO, or anyone appointed by the CEO, are each authorized to make such minor adjustments to the resolution as may be required in connection with registration of the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB, and in addition to that, make such adjustments that may be necessary in order to execute the resolutions.

A valid resolution by the AGM in accordance with the board of directors' proposal on items 17 a) and 17 b) requires that shareholders with not less than two thirds of both the votes cast and shares represented at the meeting vote in favour of the proposal. If the company has issued more than one class of shares, a valid resolution requires that shareholders with not less than two thirds of both the votes cast and shares represented at the meeting within each class of shares and whose rights are negatively effected by the resolution vote in favour of the proposal.

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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 33 in Stockholm and on the website [www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm) at the latest on Tuesday 31 March 2015. 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 March 2015  
EAST CAPITAL EXPLORER AB (publ)  
*Board of Directors*