

## **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, 27 April 2009, at 4 p.m. in Konserthuset (Grünwaldsalen), entrance from Kungsgatan 43 in Stockholm. Registration for the meeting will commence at 1:30 p.m.

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

All shareholders are also invited to participate in a seminar and round-table discussion on the developments underway in Eastern Europe with representatives from the Investment Management Team at East Capital.

#### **Programme:**

- 1:30 Registration for the AGM opens (registration closes at 4:00 p.m.)
- 2:00 Seminar and round-table discussion with representatives from the Investment Management Team at East Capital
- 3:00 Guest presentation by adventurer Ola Skinnarmo who will present his next expedition through the North East Passage to the Bering Strait, sponsored by East Capital
- 3:30 Coffee
- 4:00 AGM. A light meal will be served after the AGM

### **Notification of participation**

In order to be entitled to participate at the AGM, shareholders must be included in the printout of the share register that is made by Euroclear Sweden AB (formerly VPC AB) on 21 April 2009 and must also give notice of their intention to participate at the meeting not later than on 21 April 2009 before 4:00 p.m.

Notice of participation at the AGM may be given via the website: [www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm), by telephone: +46 8 505 977 27, by e-mail: [agm@eastcapitalexplorer.com](mailto:agm@eastcapitalexplorer.com) or by mail:

East Capital Explorer (publ)  
Att: Sandra Mårtensson  
Box 7214  
103 88 Stockholm, Sweden

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

### **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, 21 April 2009. Thus, the nominee should be contacted in ample time prior to that date.

### **Proxies etc.**

Shareholders who are represented by proxy shall issue a power of attorney for the representative. Powers of attorney in original and, with respect to a legal entity, a certificate of registration, should be submitted in ample time prior to the AGM to the Company at the address above. The power of attorney and certificate of

registration may not be issued more than one year before the date of the AGM. The Company provides proxy forms on the Company's website, [www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm) and will be sent to those shareholders who so request and state their mailing address. Order may also be placed by telephone on +46 8 505 977 27.

## **Admission cards**

Admission cards entitling the holder to participate at the AGM will be distributed prior to the AGM to those shareholders who have made notification of their participation. It is expected that shareholders will receive admission cards not later than 24 April 2009. Any shareholder that has not received an admission card prior to the AGM will be able to obtain an admission card from 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 register
4. Approval of the agenda
5. Election of one or two persons to attest 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 including a report on the work of the Board
  - 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 approved balance sheet
  - c) discharge from liability of the members of the Board and the CEO
9. Report regarding the work of the Nomination Committee
10. Decision on the number of members of the Board
11. Decision on remuneration to the Board of Directors and the auditor
12. Election of members of the Board and chairman of the Board
13. Decision regarding the criteria for appointment of the Nomination Committee
14. Decision on guidelines for remuneration to senior management
15. Proposal for amendment of the articles of association of the Company
16. Proposal for resolution regarding authorization for the Board to repurchase own shares
17. Proposal for resolution to
  - a) reduce the share capital by way of redemption of repurchased shares
  - b) increase of the share capital by way of a bonus issue
18. Closing of the meeting

## The Nomination Committee's proposal

The Nomination Committee consisting of Ramsay Brufer (Alecta), Anders Klein (SEB), Eddie Dahlberg (Volvo-related Foundations), Paul Bergqvist (as chairman of the Board of the Company) and Peter Elam Håkansson (as chairman of the board of East Capital PCV Management AB, the manager of the Company's investments) propose the following.

2. Svante Johansson is appointed Chairman of the meeting.

10. Six members of the Board and no deputy members

11. Remuneration to the Board remains unchanged SEK 700,000 to the Chairman of the Board and SEK 300,000 to each Director that is not employed in the East Capital Group. Directors that are employed within the East Capital Group receive no remuneration. The Nomination Committee recommends the Board members to invest at least 25 percent of the remuneration after tax, excluding remuneration for committee work, in East Capital Explorer shares. Remuneration to members in the Audit Committee remains unchanged SEK 50,000 to the chairman and SEK 30,000 kronor to each other member. Fees to the auditor are based on approved invoices based on current time and rate.

12. Re-election of all current members of the Board: Paul Bergqvist, Anders Ek, Lars Emilson, Alexander Ikonnikov, Justas Pipinis and Kestutis Sasnauskas and re-election of Paul Bergqvist as Chairman of the Board. Information about the board members is available on the Company's website.

13. The Nomination Committee shall consist of five members, of which three shall be representatives of those 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 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 agree 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 June 2009 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 proposes that this year's loss of EUR 127,421,649 is carried forward to new account and that no dividends are distributed in accordance with the dividend policy of the Company.

### 14. Guidelines for remuneration to senior management

"Senior Management" refers to the CEO. 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 shall consist of fixed and variable salary and pension benefits. The Board of Directors decides in its discretion according to certain key performance indicators, based on the CEO's performance, whether or not the CEO shall receive any variable salary. The CEO can receive a maximum bonus corresponding to 50 percent of the fixed salary. The CEO has an individual premium based pension plan, pursuant to which the Company pay premiums corresponding to 10 percent of the fixed salary up to ten Swedish income base amounts and premiums corresponding to 20 percent of the fixed salary on the portion that exceeds ten Swedish income base amounts. These guidelines shall apply to the current employment agreement and to employment agreements entered into after a decision is taken by the meeting in respect of these guidelines.

### 15. Amendment of the articles of association

The Board proposes an amendment of the articles of association of the Company in order to harmonize the rules in § 8 of the articles regarding notice procedure to general meetings of the Company with the new rules that are expected to come into effect before the AGM in 2010.

Present wording: Notice of a general meeting shall be given through an announcement in Post- och Inrikes Tidningar and in Svenska Dagbladet. Proposed wording: Notice of a general meeting shall be given through an announcement in Post- och Inrikes Tidningar and on the company's website. An advertisement to the effect that notice has been given shall be published in Svenska Dagbladet

The Board further proposes that the AGM's decision on the amendment to the Company's articles shall be made conditional on the change in means used to give notice of General Meetings laid down in the Swedish Companies Act (SFS 2005:551) having come into effect not later than at the time of notice to the AGM in 2010, which would mean that the proposed wording of § 8 above would be in accordance with the Swedish Companies Act.

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

The Board proposes that the AGM resolve to authorize the Board to repurchase the Company's own shares, under the following conditions:

1. The share purchases shall be transacted via NASDAQ OMX Stockholm at a price within the registered price interval from time to time, which means the spread between the highest bid price and lowest ask price prevailing from time to time on the exchange.
2. Purchases may also be performed 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. The authorization may be utilized on one or more occasions, however not longer than until the AGM in 2010.

The purpose of this mandate to repurchase shares in the Company is to enable the Board to adjust the capital structure and thereby generating a higher value for the shareholders.

## **17. Reduction of the share capital by way of redemption of repurchased shares and increase of the share capital by way of a bonus issue**

The Board proposes that the Company's share capital is reduced by way of redemption of own shares. In order to effectuate such measure in an easy and time efficient manner, the Board of Directors further proposes that the Company's share capital be increased through a bonus issue by an amount corresponding to the amount by which the share capital is reduced by way of redemption of own shares in accordance with the above. Therefore, the Board proposes that the AGM resolves in accordance with the following proposals.

**17 a)** The Board of Directors proposes that the AGM resolves that the Company's share capital be reduced by an amount corresponding to the number of own shares held by the Company as per 9 April 2009 multiplied with the quota value per share (EUR 0,1), however not exceeding EUR 362,701.6, which corresponds to 10 percent of all shares in the Company multiplied with the quota value. The reduction shall be effected through redemption of a maximum of 3,627,016 shares. The shares which are proposed to be redeemed have been repurchased by the Company in accordance with the authorization given at the AGM 2008. The purpose of the reduction of the share capital is transfer to a fund to be used pursuant to resolution by the AGM.

**17 b)** The Board proposes that the AGM resolves that the Company's share capital be increased through a bonus issue by an amount corresponding to the amount the Company has decided to reduce the share capital with according to 17 a) above through a transfer from the Company's non-restricted equity and in addition thereto possibly increase the Company's share capital in order to obtain an appropriate quota value. No new shares shall be issued in connection with the bonus issue. The share issue is effectuated in order not to reduce neither the Company's restricted equity nor the share capital, which means that neither authorization of the Swedish Companies Registration Office nor, in disputed cases, a court of general jurisdiction needs to be obtained for the reduction of the share capital according to 17 a) above. Resolutions adopted by the AGM pursuant to items 17a) – 17b) above are to be adopted as one single resolution.

The effect of the Board's proposal under item 17 b) above is that the Company's share capital is reduced by an amount corresponding to a maximum of EUR 362,701.6. The effect of item 17 b) above is that the share capital is increased by the same amount through a bonus issue and is thereby restored to the same amount

as prior to the reduction and in addition thereto possibly a further minor amount in order to obtain an appropriate quota value. The exact amount by which the share capital will be reduced by redemption of repurchased shares and by which it is increased by a bonus issue, respectively, will be stated in the Board's complete proposal which will be available no later than on 9 April 2009.

Finally, the Board proposes that the AGM resolves to authorize the Company's CEO to make the small adjustments of the above resolutions that may be required in connection with the registration of the resolutions with the Swedish Companies Registration Office and Euroclear Sweden AB.

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## **Majority requirement**

A valid resolution by the AGM in accordance with item 15, 16 and 17 above 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.

## **Available documents**

Annual accounts including the auditor's report as well as the Board of Directors' complete proposals and statements according to the Swedish Companies Act together with pertaining statements by the auditor will be made available at the office of East Capital Explorer on Kungsgatan 30 in Stockholm and on the Company's website [www.eastcapitalexplorer.com/agm](http://www.eastcapitalexplorer.com/agm) as of 9 April 2009 at the latest. Copies will be sent to shareholders who so request and state their mailing address.

## **Number of shares and votes**

The Company's shares amount to total of 36,270,160 shares and votes. As per 18 March 2009 the Company held 129,000 shares in treasury which cannot be represented at the AGM.

\* \* \*

Stockholm in March 2009

EAST CAPITAL EXPLORER AB (publ)

Board of Directors