

# **Notice to convene the Annual General Meeting of Skano Group AS**

**The Annual General Meeting of Skano Group AS** (registry code: 11421437, address: Suur-Jõe 48, Pärnu 80042, hereinafter the Company) **will be held on the 15th of May 2016 at 11.am at the office of Skano Group AS at Suur-Jõe 48, Pärnu.**

The agenda of the General Meeting with the proposals of the Supervisory Board:

## **1. Approval of the Annual Report 2016**

Proposal of the Supervisory Board: To approve the Annual Report of the Company for 2016 prepared by the Management, which exposes the consolidated balance sheet value of 11,964 thousand euros as at 31.12.2016 and the net loss in the amount of 1,045 thousand in 2016.

## **2. Covering the loss from 2016**

Proposal of the Supervisory Board: Transfer the loss 1,045 thousand euros to the retained earnings.

## **3. Appointment and remuneration principles of auditor**

Proposal of the Supervisory Board: To appoint AS PricewaterhouseCoopers (registry code: 10142876, address: Pärnu mnt 15, 10141 Tallinn) as the auditor of the Company for the financial years 2017-2019. Public accounting services will be paid for in accordance with the contract to be drawn up with the auditor.

## **4. Approval of conditions of share options**

Proposal of the supervisory board: Pursuant to § 298 (2) and § 345 (1) of the Commercial Code to approve the conditions of share options to the members of the management board of Skano Group AS as follows:

4.1. Skano Group AS shall be entitled to issue up to 300 000 (three hundred thousand) share options until 31.12.2017. Every share option grants the entitled subject the right to buy 1 (one) share of Skano Group AS.

4.2. The Chairman of the management board of Skano Group AS shall be the entitled subject of the option.

4.3. If the entitled subject wishes to acquire the share options appointed thereto, he shall enter into a written option agreement with Skano Group AS no later than on 31.12.2017. If the entitled subject does not enter into the option agreement within the specified term, he loses the right to acquire the share options appointed thereto.

4.4. Application of the conditions of the share option programme and the procedure for the sale of share options shall be provided for in the option agreement entered into between Skano Group AS and the entitled subject. The representative of Skano Group AS upon signing the option agreement shall be the member of the supervisory board Joakim Johan Helenius.

4.5. The entitled subject of a share option shall be entitled to use the issued option starting from the 37th (thirty-seventh) calendar month after issue of the option. The entitled subject shall lose the right to use the share option if he leaves from the management board of Skano Group AS upon own initiative prior to the thirty-seventh calendar month after the issue of the option or if his board member contract is terminated upon the initiative of the supervisory board within 12 months after the issue of the option. The entitled subject shall have the right to use the share option to the extent of 1/3 if his board member contract is terminated within 13-24 months after the issue of the option and to the extent of 2/3 if his or her board member contract is terminated within 25-36 months after the issue of the option.

4.6. The entitled subject of a share option shall not have the right to transfer the share options issued thereto.

4.7. Up to 300 000 (three hundred thousand) shares of Skano Group AS shall be emitted to fulfil the conditions of the share option.

4.8. The price of one share option is 0.506 EUR (calculated as the average closing price of the Skano Group shares for the last 60 trading days before the announcement of given AGM, i.e. average closing shares prices from 19.01.2017 to 12.04.2017).

4.9. The final term of the share programme is 31.12.2020. The specific schedule of the share programme and the procedure for sale shall be determined by the supervisory board.

4.10. The pre-emptive right of shareholders to subscribe to new shares emitted to fulfil the conditions of the share option shall be precluded.

The documents of Annual Report of Skano Group AS, proposal for profit allocation and auditor's report to the Annual Report 2016 will be available at the head office of the Company at Suur-Jõe 48, Pärnu, starting from 13.04.2017, and on Company's web site [www.skano.com](http://www.skano.com).

Information on the procedure for exercising the rights specified in the Commercial Code § 287, § 293 (2) and (21) and § 293'1 (4) is published on the website of the Company [www.skano.com](http://www.skano.com).

As of the date of publishing of the announcement, the share capital of Skano Group AS is 2,699,436.60 euros. The company has 4,499,061 shares and each share gives one vote.

The date of closing the list of shareholders entitled to vote at the Annual General Meeting will be May 8, 2017 at 23:59.

Registration of the participants in the meeting will begin at 10:45.

**To register yourself as a participant in the general meeting, please present:**

a shareholder who is a sole proprietor – an identity document

a representative of a shareholder who is a sole proprietor – an identity document and a written authorisation document

a representative of a shareholder who is a legal person – valid certified copy of the registry card (for legal persons in Estonia, certified no earlier than 7 days ago), which entitles the person to represent the shareholder, and an identity document of the representative, or an authorisation document prepared as required and an identity document of the representative. We request prior legalisation or apostille certification of documents of a legal person registered in a foreign country, unless stated otherwise in the international agreement. Skano Group AS may register a shareholder who is a legal person of a foreign country as a participant in the general meeting also in case all required data on the legal person and the representative are included in the notarised authorisation document issued to the representative in a foreign country and the authorisation document is acceptable in Estonia.

If a shareholder has deposited his/her shares on a nominee account, a respective certificate issued by the account administrator shall be submitted, certifying the right of ownership of the shares as of May 8, 2017.

Please present your passport or identity card as an identification document.

A shareholder may notify the Company of the appointment of a representative or withdrawal of authorisation by a representative by submitting respective information to the Management Board of Skano Group AS (in a digitally signed format which can be reproduced in writing on the following e-mail address: [Torfinn.Losvik@skanogroup.com](mailto:Torfinn.Losvik@skanogroup.com), or in writing by mail at the following address: Skano Group AS, Suur-Jõe 48, Pärnu, Estonia) no later than on 14th of May 2016 (inclusive).

For the appointment of a representative or withdrawal of authorisation by a representative, a shareholder may use the forms available on the website of Skano Group AS [www.skano.com](http://www.skano.com).

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