

Resolutions of Nordecon AS annual general meeting of shareholders

Nordecon AS (registry code 10099962, address Pärnu mnt 158/1, 11317 Tallinn) annual general meeting of shareholders was held on 24 May 2017 at 10.00 a.m. in the conference center of Radisson Blu Hotel Olümpia, room Beta (Liivalaia 33, 10118 Tallinn).

The shareholders of Nordecon AS made the following decisions according to the proposed agenda:

Item 1. Approval of the Company's annual report for 2016 and profit allocation proposal

RESOLUTION No. 1

To approve the Company's consolidated annual report for 2016 as submitted by the management board.

RESOLUTION No. 2

To allocate the profit of the Company as follows: The Company's consolidated net profit for 2016 amounts to 3,044 thousand euros, prior period retained earning amounts to 10,047 thousand euros and, thus, total distributable profit as at 31 December 2016 amounts to 13,091 thousand euros. To allocate 1,384 thousand euros (0.045 euros per share) as the profit to be distributed to the shareholders (the dividend). No appropriations shall be made to the capital reserve or other reserves provided for by the law or the articles of association. After the allocations, retained earnings will amount to 11,707 thousand euros.

Shareholders entitled to dividends include persons entered in the Company's share register on 7 June 2017 at 11.59 pm. No dividends shall be paid to the Company for own shares, the number of eligible shares is 30,756,728. The dividends will be distributed to the shareholders on 21 June 2017 at the latest.

Item 2. Election of auditor for the financial year 2017 and deciding on the remuneration of the auditor

RESOLUTION No. 3

To elect audit firm KPMG Baltics OÜ as the auditor of the Company for the financial year 2017 and to pay for the services according to the agreement to be signed with the auditor.

Item 3. Decrease of the share capital of the Company

RESOLUTION No. 4

4.1 To decrease the share capital of the Company by 1,456,896.74 euros from 19,720,440.42 euros to 18,263,543.68 euros. The share capital will be decreased by reducing the book value of the shares by 0.045 euro. The total number of the shares will not change and the book value of shares shall be reduced proportionately to the reduction of the share capital. As a result of the decrease of the share capital, the share capital of the company will be 18,263,543.68 euros that is divided into 32,375,483 shares with book value.

4.2 Upon decrease of the share capital to make payments to the shareholders in the amount of 0.045 euros per share, in the total amount of 1,384,052.76 euros. The payments to the

shareholders shall be made no sooner than three months after the registration of the reduction of the share capital with the commercial register, but, at the latest, three months and 14 calendar days after the registration of the reduction of the share capital with the commercial register.

- 4.3 The share capital is decreased to improve the structure of capital in order to bring the amount of the share capital into alignment with the volume of business and strategic goals. The reduced amount of the share capital is in compliance with the requirements set out by the legislation and the articles of association.
- 4.4 The list of shareholders who shall be entitled to payments as a result of the decreasing of the share capital will be fixed as of 7 June 2017 at 11:59 pm.

Item 4. Remuneration of the members of the supervisory board

RESOLUTION No. 5

To determine that as from 1 June 2017 the amount of the remuneration payable to the chairman of the supervisory board is 9,000 euros per month, to the vice-chairman of the supervisory board 3,000 euros per month and to the other supervisory board members 1,200 euros per month

Item 5. Changes in the key terms and conditions of the share option plan

RESOLUTION No. 6

To change the general terms and conditions of the Company's stock option program approved under resolution No 4 of the general meeting of shareholders of the Company of 27 May 2014 as follows:

- 6.1 To change section 1.10 of the general terms and conditions of the Company's stock option program and approve section 1.10 in the following wording:

“An eligible person may exercise the option provided that the eligible person is in an employment or service relationship with the Company or with a subsidiary of the Company as at the date on which the option becomes exercisable, except in case the supervisory board decides otherwise in the terms and conditions of the option agreement concluded with the eligible person.”

- 6.2 To change section 1.11 of the general terms and conditions of the Company's stock option program and approve section 1.11 in the following wording:

„Exercise of the option by the Company's management board members Jaano Vink, Aavo Ambur and Erkki Suurorg is subject to the following preconditions, depending on the time of exercising the option:

The management board member exercises the option (in full or in part) based on the financial results of the Company for 2016:

- a) the management board member may exercise the option in full provided that the Company's consolidated EBITDA for 2016 is 11.228 million euros or more;
- b) the management board member may exercise the option to the extent of 50% provided that the Company's consolidated EBITDA for 2016 is 7.86 million euros;

- c) the management board member may not exercise the option in case the Company's consolidated EBITDA for 2016 is 4.491 million euros or less.

The management board member exercises the option (in full or in part) based on the financial results of the Company for 2017:

- a) the management board member may exercise the option in full provided that the Company's consolidated EBITDA for 2017 is 8.264 million euros or more;
- b) the management board member may exercise the option to the extent of 50% provided that the Company's consolidated EBITDA for 2017 is 6.198 million euros;
- c) the management board member may not exercise the option when the Company's consolidated EBITDA for 2017 is 4.132 million euros or less.

The specific extent to which an option can be exercised will be determined by interpolation, taking into account the above ranges.“

- 6.3 To change section 1.12 of the general terms and conditions of the Company's stock option program and approve section 1.12 in the following wording:

„An eligible person may exercise the option after the expiry of a three year period as of the conclusion of the person's option agreement but, in any case, not before the Company's annual general meeting has approved the Company's annual report for 2016. In order to exercise the option, an eligible person shall, during the exercise period beginning as of the approval of the Company's 2016 annual report by the Company's annual general meeting and ending after 15 (fifteen) months as of such date, submit the Company a notice in accordance with the option agreement. Exercise of the option shall constitute the conclusion of a sale agreement between the eligible person and the Company on the terms and conditions set forth in the option agreement under which the eligible person is entitled and obliged to acquire the Company's shares which are the object of the option for a price determined in accordance with article 1.15. of these Conditions. The eligible person must pay the Company the price of the shares in respect of which the option was exercised within 12 (twelve) months after the exercise of the option at the latest. The shares in respect of which the option was exercised will be transferred to the eligible person only when the price to be paid for the shares has been paid.“

At the annual general meeting of shareholders 20,172,231 ordinary shares entitled to vote were represented, i.e. 62.31% of total ordinary shares outstanding.