

**Public limited company Ekspress Grupp**

Registry code 10004677

Parda 6, Tallinn 10151

7 September 2020

**Clarification of the agenda item 2 of the Extraordinary General Meeting of Shareholders to be held on 29 September 2020, i.e. withdrawal of the shareholders' pre-emptive right and the issue price of shares**

The Management Board has proposed to the Extraordinary General Meeting of Shareholders to be held on 29 September 2020 to grant the Supervisory Board of the public limited company Ekspress Grupp (hereinafter "EG") the right to increase the share capital in order to execute the employee option plan approved on 13 June 2017. The Management Board has also proposed to the shareholders to withdraw the shareholders' pre-emptive right relating to the shares to be issued for execution of the option plan.

Pursuant to section (1) of §345 of the Commercial Code, the shareholders shall have the right to subscribe for the new shares in direct proportion to the nominal value of the shares or the amount of their estimated value. The pre-emptive right of shareholders may be withdrawn by the resolution of the general meeting receiving at least three-quarters of the votes represented at the general meeting. The Management Board shall provide a written explanation to the shareholders in advance as to why it is necessary to withdraw the pre-emptive subscription right and shall also justify the issue price of shares.

The Management Board clarifies that in accordance with the option plan established by the resolution of the General Meeting of Shareholders of EG held on 13 June 2017, EG was under the obligation to transfer up to 1.3 million shares (with the nominal value of EUR 0.6 per share) for free to the employees of EG. In order to exercise this option plan, the shareholders have been proposed to grant the right the Supervisory Board to increase the share capital of EG by up to EUR 780 000 in order to fulfil the obligations to the employees arising under the option plan (agenda item 3 of the Extraordinary General Meeting of Shareholders to be held on 29 September 2020).

In order to transfer the shares to be issued to the employees entitled to acquire the shares under the option program, it shall be necessary to withdraw the shareholders' pre-emption right in relation to these shares (agenda item 2 of the Extraordinary General Meeting of Shareholders to be held on 29 September 2020).

The issue price of the shares shall be the nominal price because according to the option plan, the employees shall be entitled to acquire the shares for free. Since it is only the treasury shares of EG that can be transferred to the employees for free and EG cannot subscribe for the new shares due to the restrictions arising from the Commercial Code, the shares shall be issued at the nominal price to the underwriter that shall transfer them back to EG at the same price. Thereafter, according to the terms and conditions of the option plan approved on 13 June 2017 the shares shall be transferred for free to the employees entitled to receive the shares under the option plan. The issue of the shares to the underwriter of the issue and the

repurchase by EG shall be at a minimum price necessary to carry out the issue and execute the option plan.

Management Board  
Public limited company Ekspress Grupp