

** * * * * **

To: Latvian Financial Capital Market Commission
Kungu iela 1, Rīga, LV-1050

Dear Sir/Madam,

This is to inform you of AS LHV Pank's (address: Tartu mnt 2, Tallinn 10145, Estonia, registry code: 1053954) intention to perform stabilisation operations referred to under EU Regulation 2016/1052 for AS Madara Cosmetics (address: Zeltiņu iela 131, Mārupe, LV-2167, Latvia, registry code: 40003844254), hereinafter 'the Company', from the first day of admission to trading on Nasdaq Riga First North Alternative market, which is November 10, 2017 and lasting for a period of 30 calendar days. The ticker code is MDARA. The price cannot be above the offer price (EUR 6.25).

It will be subject to the requirements of the abovementioned regulation (particularly Article 6), insofar that:

- stabilisation may not necessarily occur and may cease at any time;
- stabilisation transactions aim at supporting the market price of the securities during the stabilisation period;
- the over-allotment (greenshoe) option of 48,222 shares for the registered Issue Prospectus of the Company dated September 22, 2017 has been exercised

Yours respectfully,

AS LHV Pank