

## **Notification of the intention to delist shares of AB “Ignitis gamyba” from trading on the AB Nasdaq Vilnius Stock Exchange**

The board of AB “Ignitis gamyba”, legal entity code 302648707, registered office address Elektrinės g. 21, LT-26108 Elektrėnai, Republic of Lithuania (hereinafter – the Company), in accordance to paragraphs 3 and 4 of Article 33 of the Law on Securities of the Republic of Lithuania, submits the notification of the intention to consider the issue of delisting the shares of the Company from trading on the AB Nasdaq Vilnius Stock Exchange during Extraordinary General Meeting of Shareholders to be held on 4 December, 2019.

### **1. Information about the publication of intended official tender offer**

On 11 November 2019 the board of UAB “Ignitis grupė”, a shareholder of the Company, which owns 96,82 % of the Company's shares, decided to initiate delisting of the Company's shares from trading on the regulated market and addressed the Company's board with proposal to convene extraordinary general meeting of Company's shareholders. Based on this, on 11 November 2019 the board of the Company adopted a resolution to convene an Extraordinary General Meeting of Shareholders (hereinafter referred to as the “Meeting”) on 4 December 2019, the agenda of which includes the issue of delisting of the Company's shares from trading on the AB Nasdaq Vilnius Stock Exchange. The decision shall be deemed adopted if it is approved by a majority of at least 3/4 of the votes of all shareholders present at the Meeting. Shareholders who voted in favor of this decision will have to submit and implement the official tender offer. Unless agreed otherwise, the shareholder of the Company – UAB “Ignitis grupė” intends to implement this obligation. All shareholders of the Company, except the shareholders, who have voted in favor of the decision to delist the Company's shares from trading on the AB Nasdaq Vilnius Stock Exchange, shall be entitled to sell the shares during the validity of the official tender offer.

### **2. Reasons for delisting of the shares from trading on the regulated market operating in the Republic of Lithuania**

Following the proposal of the main shareholder – UAB “Ignitis grupė”, the board of the Company proposes to the Meeting to consider the issue of delisting of the Company's shares from trading on the AB Nasdaq Vilnius Stock Exchange for the following reasons:

1. A small amount of the Company's shares is publicly traded on the AB Nasdaq Vilnius Stock Exchange, therefore, stock trading is not active;
2. The public trading of the Company's shares on a regulated market does not provide real benefit to the Company, but requires additional and duplicated costs related to the performance of the requirements for listed companies, which are also and will be secured at the level of UAB “Ignitis Grupė” because of the green bond issues which are listed on AB Nasdaq Vilnius and Luxembourg stock exchanges;
3. The Company has no purpose to raising additional capital by implementing public offerings of its shares or other securities on the AB Nasdaq Vilnius Stock Exchange;
4. The Company's parent company and the main shareholder UAB “Ignitis grupė”, together with the Ministry of Finance of the Republic of Lithuania, which is the authority implementing its shareholder rights, is planning to analyze long-term financing alternatives of the group of UAB “Ignitis grupė”, which could include raising debt and equity in national and in international capital markets. No specific decisions have been made to this date.

### **3. Measures taken by the management bodies of the Company for protection of shareholders' rights and interests**

The Company has taken and will take all measures required by law to make available to the owners of the shares issued by it all necessary measures and information to enable them to exercise their

rights during the official tender offer and delisting of the Company's shares on the regulated market. The Company will provide all the information related to these processes to the Bank of Lithuania and AB Nasdaq Vilnius, as well as will make such information public, under the procedure set by the law.

#### **4. Planned changes in the composition of the management bodies and in the activities of the issuer**

The changes are not intended.

#### **5. The preliminary price offered for the shares**

In accordance to paragraph 1 of Article 29 and paragraph 6 of Article 33 of the Law on Securities of the Republic of Lithuania, the price of the mandatory tender offer shall not be less than the highest price of the shares acquired by the offeror during the 12 months prior to the announcement of the intention to delist the shares from trading on regulated market, and not less than the average weighted market price of the regulated market and multilateral trading system during the 6 months prior to the announcement of the intention to delist the shares from trading on the regulated market and multilateral trading system.

The Offeror, i.e. UAB "Ignitis Grupė" acquired the securities earlier than 12 months prior to the announcement of the intention to delist the shares from the regulated market, therefore, the preliminary offered price per share is determined by calculating the average weighted market price of the regulated market and multilateral trading system over a 6-month period, which from 9 May 2019 until 8 November 2019 (included) is EUR 0,549. In addition, the offered price is increased to EUR 0,575 based on a average weighted market price of a 24-month period prior to the announcement of the intention to delist the shares from trading on regulated market that includes longer-term historical stock price fluctuations and level out the impact of one-off factors on company performance and stock market price, i.e. since 9 November 2017 until 8 November 2019 (included).