

Share Option Program of AS Ekspress Grupp for the period 2021-2023

1. Purpose of the Option Program

The purpose of the 2020 Share Option Program (hereinafter “the Option Program”) of AS Ekspress Grupp (hereinafter “EG”) is to align the long-term goals and interests of the management of EG and its group companies (hereinafter “the Group”) with the long-term interests of the shareholders of EG. Their common interests are manifested in the Group’s professional and streamlined management that ensures sustainable development, long-term growth in accordance with the set goals and strategy, and the company’s stock price appreciation.

2. Persons entitled to participate in the Option Program

The list of persons entitled to participate in the Option Program (hereinafter “the Option Holders”) shall be determined by the Supervisory Board of EG. The members of the Supervisory Board of EG do not have the right to participate in the Option Program.

3. Scope and vesting period of the Option Program

The vesting period of the Option Program shall be three years and in the course thereof, the Options shall be granted in the 2021–2023 financial year. In addition, there shall be a specific time period for exercising the Options.

The total number of the shares to be issued within the framework of the Option Program for 2020 shall not exceed 5% of the total number of the Group’s shares.

4. Subject and underlying asset of the Option Program

The underlying asset of the Option Program is the ordinary share of EG (ISIN code EE3100016965, hereinafter “the Shares”). The Option Holders shall be entitled to acquire the Shares pursuant to the terms and conditions laid down in option contracts to be concluded separately with them (hereinafter “the Option Contracts”). The issue of the Options shall be organised in a manner that it would not constitute a public offering within the meaning of the Securities Market Act.

5. Option adjustment

The existence of the Option Program and issue of the Options shall neither impact nor circumscribe the rights of EG and its shareholders in any way to make changes to the share capital of EG or the Group’s business operations. In case of the events leading to a change in the nominal value of the Shares (e.g. split, reverse split), the number of the Shares that are the underlying asset of the Option and/or the strike (exercise price) of the Option shall be adjusted accordingly. The purpose of the adjustment of the strike price of the Option is to preserve the initial value of the Option for the Option Holders. The respective agreements shall be included in option contracts.

6. Vesting period, price and procedure for exercising the Options

The vesting period of the Options shall be three years from the original vesting date of the Options, to be laid down in the option contract to be entered into with each Option Holder. The share acquisition price that the Option Holder pays upon subscription for the Shares shall be the nominal value of the Shares at the time of the issue of the Options.

The exercise of the Options and issue of the Shares shall be performed by means of an increase of the share capital of EG and issue of new shares. For the new shares to be issued, the pre-emption right of the current shareholders shall be precluded pursuant to § 345 (1) of the Commercial Code. New shares shall be listed in accordance with the applicable rules and procedures.

7. Other material terms of the Options

The Options shall be granted personally to the Option Holders. The Options cannot be transferred, pledged or otherwise encumbered or disposed of.

The Options may be bequeathed.

If the Options are exercised, the Option Holder shall only receive the underlying shares of the Option after paying the acquisition price. The Option Holder shall not have the right to request any kind of monetary or non-monetary compensation if the Options are either partially or fully cancelled, or they cannot be exercised for any other reason.

8. Reduction or cancellation of the Options

EG has the right to refuse to exercise Options and to partially or fully cancel the issue of Shares to the Option Holders, if:

- The general meeting or the Supervisory Board of EG does not adopt a decision to increase the share capital of EG and the issue of the option shares;
- The contractual or employment relationship of a member of the management body of the Option Holder has been terminated on the initiative of the Holder or pursuant to §88 of the Employment Contracts Act (extraordinary cancellation of the employment contract by the employer for an employee-related reason) or in a similar manner in case of the amendment to the Employment Contracts Act, whereas exceptions can be made to applying this clause with the decision of the Supervisory Board of EG;
- The data used for granting the Options turned out to be significantly inaccurate or incorrect.

9. Exercise of the Options

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The key prerequisite for exercising the Options is the decision of the Supervisory Board of EG regarding the exercisability of the Options. Upon exercising the Options, the Options Holder shall pay for the shares of EG that constitute the underlying asset of the Options in accordance with the option contract entered into with the person up to the nominal value of the Shares.

10. Conclusion of option contracts

A more detailed procedure for adoption of the terms and conditions of the Options Program and the exercise of the Options shall be laid down in the option contract to be concluded between EG and the Option Holder.

The general meeting of shareholders of EG shall authorise the Supervisory Board of EG to issue the Options without a separate decision of the general meeting of the shareholders of EG, provided that the Options and the options contract entered into for the issue of the Options fully comply with these terms and conditions. The Supervisory Board has the obligation to inform the general meeting of the shareholders. At the next general meeting of the shareholders of EG following the issue of the Options, the Supervisory Board shall provide an overview of the Options issued and at a minimum, disclose the number of Options and the monetary value of the Option Program.

The Management Board of EG shall enter into option contracts on the issue of the Options on the basis the respective decision by the Supervisory Board. Upon the conclusion of the Options Contracts, the Management Board of EG shall ensure that option contracts are concluded in compliance with these terms and conditions.