

**CIRCULAR OF MANDATORY TAKEOVER BID
TO BUY UP THE SHARES OF AB „SNAIGÈ“**

6 May 2024
Vilnius

1. Conditions of mandatory takeover bid

The Extraordinary General Meeting of Shareholders of the joint stock company "Snaigè" (hereinafter referred to as the "**Company**") held on 15 April 2024 (hereinafter referred to as the "**Shareholders' Meeting**") passed the following resolutions by a majority of more than $\frac{3}{4}$ of the total number of votes attaching to the shares of all the shareholders present at the Shareholders' Meeting:

1. To initiate the delisting of all shares issued by the Company and to delist them from trading on the regulated market AB Nasdaq Vilnius.
2. To establish that the shareholders of AB Snaigè, who voted "FOR" the decision to delist AB Snaigè's shares from trading on the regulated market AB Nasdaq Vilnius and no longer offer AB Snaigè's shares to the public, shall submit a circular of the takeover bid to the Bank of Lithuania for approval and at the price indicated in point 1.3 shall implement the takeover bid to buy AB "Snaigè" shares. AB Snaigè's shareholder UAB EDS INVEST 3 shall implement a takeover bid for other shareholders of AB Snaigè who have acquired this obligation and who do not express their will to implement it independently. During the implementation of this takeover bid, all shareholders of AB Snaigè will have the right, but not the obligation, to sell AB Snaigè shares, except for those who in the Meeting adopting the decision to delist AB Snaigè shares from trading on AB Nasdaq Vilnius and no longer offer AB Snaigè shares voted "FOR" such a decision.
3. The price of the takeover bid, which is implemented in order to remove the shares from trading on the regulated market of AB Nasdaq Vilnius, shall be determined in accordance with paragraph 1 of Part 1 of Article 29 of the Securities Law of the Republic of Lithuania.

Article 33(7) of the Law on Securities of the Republic of Lithuania provides that the official offer to delist shares from the regulated market operating in the Republic of Lithuania must be submitted by the shareholders who have voted in favour of the decision to delist the issuer's shares from the regulated market operating in the Republic of Lithuania. One or more shareholders shall have the right to fulfil this obligation on behalf of the other shareholders.

At the Shareholders' meeting, the shareholder UAB EDS INVEST 3, which legal code is 304990969, registered office address - Antano Tumèno str., voted "FOR" the decision to initiate the delisting of all shares issued by the Company and to delist them from trading on the regulated market AB Nasdaq Vilnius. 4, Vilnius (hereinafter referred to as the „**Offeror**“), holding 36,187,561 shares of the Company and the votes granted by them.

Pursuant to Article 33(7) of the Securities Law of the Republic of Lithuania and the decisions of the Shareholders' Meeting, the Offeror submits and implements the mandatory takeover bid to purchase the Company's remaining ordinary registered shares with a nominal value of EUR 0,17.

The Offeror submits a mandatory takeover bid for the remaining 3,434,834 (three million four hundred and thirty-four thousand eight hundred and thirty-four) Ordinary Registered Shares of the Company, representing 8.7% of the Shares and the Votes attaching thereto at the General Shareholders Meeting.

The takeover bid price is EUR 0.13 per 1 (one) ordinary registered share of the Company. The pricing and the justification for the price of the takeover bid are set out in paragraph 13 of this Circular.

2. **Name, legal form, legal entity code, registered office address, telephone and fax numbers, e-mail address and website address of the company for which shares are being officially offered:**

Name	Joint stock company „Snaigė“
Legal form	Joint stock company
Legal entity code	249664610
Office address	Pramonės st. 6, Alytus
Tel. number	+370 315 56206
Fax number	+370 315 56207
E-mail	snaige@snaige.lt
Website address	https://www.snaige.lt/

3. **Details of the Offeror:**

- 3.1. **Name, surname, residential address, telephone and fax numbers of the offeror (when the offeror is a natural person);**

Not applicable.

- 3.2. **Name, legal form, legal entity code, registered office address, telephone and fax numbers, e-mail address and website address of the offeror (when the offeror is a legal entity):**

Name	UAB EDS INVEST 3
Legal form	Limited liability company
Legal entity code	304990969
Office address	Antano Tumėno st. 4, Vilnius
Tel. number	+370 618 38113
Fax number	Not available
E-mail	info@eds.lt
Website address	https://www.eds.lt/

- 3.3. **Name, surname, residential address, telephone and fax numbers of the representative of the offeror (when the representative is a natural person);**

Not applicable.

- 3.4. **Name, registered office address, legal entity code, telephone and fax numbers of the representative of the offeror (when the representative is a legal entity).**

Not applicable.

4. **The person advising the offeror (name of legal entity, consultant's name, head office address, telephone and fax numbers):**

Law firm Šenavičius and partners RESPONSE, office address Rinktinės st. 5, Vilnius, tel. No. +370 670 04194, e-mail e-mail: info@response-legal.com, representative of the consultant – attorney-at-law Vytautas Šenavičius.

5. **Duration of implementation of the official offer (in days).**

14 (fourteen) calendar days, starting from the 4th working day after the Bank of Lithuania approves the circular.

6. **The number of shares issued by the company for which shares are being offered, by type, class, ISIN code, their nominal value and the number of own shares available.**

The Company has issued 39,622,395 (thirty-nine million six hundred and twenty-two thousand three hundred and ninety-five) ordinary registered shares with a nominal value of EUR 0.17. The ISIN code of the shares is LT0000109274.

The total nominal value of the shares is EUR 6,735,807.15.

The Company does not have its own shares.

7. Information on the listing of securities issued by the company, whose shares are being offered, for trading on the regulated market.

The company's shares are included in the Additional List of AB Nasdaq Vilnius.

8. Minimum and maximum number of securities of the company for which the mandatory takeover bid is being made, by type, class, ISIN code; if the owners of the securities of the company which shares are subject to a takeover bid do not submit the expected number of securities to be purchased, the takeover bid is considered not to have taken place (shall be completed when submitting a voluntary takeover bid).

Not applicable.

9. The number of issued securities by the type, class and ISIN code of the Company which shares are being offered, the number of votes granted by these securities (%), which:

9.1. The Offeror had (has) at the moment of exceeding the 1/3 vote limit and on the date of signing this circular (to be completed when submitting a mandatory takeover bid);

On both 22 March 2024, when the Board of the Company announced the intention to delist the Company's shares from trading on the regulated market, and on the date of signing this circular the Offeror holds 36,187,561 (thirty-six million one hundred and eighty-seven thousand five hundred and sixty-one) shares of the Company, representing 91.3% (ninety-one and three-tenths per cent) of the votes at the Company's General Meeting of Shareholders, with the ISIN code of the shares LT0000109274.

which the offeror owns as of the date of signing this circular (to be completed when submitting the voluntary takeover bid);

Not applicable.

9.2. Which each of the contractually acting persons had (has) at the moment when the threshold of 1/3 of the votes is exceeded and on the date of signing this circular (to be completed when submitting a mandatory takeover bid);

Not applicable.

which is owned by each of the persons operating under the contract on the date of signing this circular (to be completed when publishing a voluntary takeover bid);

Not applicable.

9.3. The persons specified in clauses 9.1-9.2 have the right to purchase the securities of the Company, the shares of which are subject to an official offer, on their own initiative in accordance with the valid agreement;

Not applicable.

9.4. Third parties have entrusted the persons specified in clauses 9.1-9.2, who have the right to use the voting rights granted by these securities at their discretion.

Not applicable.

10. Type, class, ISIN code (if provided) and number of securities issued by the offeror and owned by the company of which the shares are being offered, as well as the number of votes held by the company of which the shares are being offered.

The Company has no securities issued by the Offeror.

The Company does not have votes in the general meeting of shareholders of the Offeror.

11. Method of payment for securities of the company of which shares are being offered (cash, securities or a combination of cash and securities).

For the purchase of the ordinary registered shares of the Company it will be paid in cash.

12. Price (exchange ratio, if settlement is made with securities or a combination of securities and money, i.e. what is the whole number of money and securities offered in exchange for one security of the company whose shares are being offered) at which the shares will be bought (price of a takeover bid). In the case of a voluntary takeover bid, where the settlement is in securities, the price must also be indicated in money.

The price of the takeover bid is EUR 0.13 for 1 (one) ordinary registered share of the Company, the nominal value of which is EUR 0.17.

13. Methodology for valuation of securities, justification of the price of the shares of the company for which the shares are being officially offered.

Paragraph 1 of the Part 1 of the Article 29 of the Law on Securities stipulates that the price of a mandatory takeover bid must be at least the highest price of securities purchased by the offeror within 12 months before exceeding the limit of votes specified in Part 1 of Article 26, of this law, and not less than the average weighted market price in the regulated market and multilateral trading system within 6 months until the day of exceeding the specified vote limit when securities are traded on a regulated market and in a multilateral trading system.

Taking into account that the mandatory takeover bid is submitted pursuant to Article 33(7) of the Securities Law (with a intention to delist the Company's shares from the regulated market), the date by which the 12-month time limit is to be counted is the date of the publication of the announcement of the Company's Board of Directors' notice of the intention to delist the shares as provided for in Article 33(3) of the Securities Law, i.e. on 22 March 2024.

During the 12 months preceding the date of publication of the above-mentioned notice, the Offeror has entered into one transaction, which was the acquisition of 36,096,193 ordinary registered shares in the Company from the Company's previous shareholder, SEKENORA HOLDINGS LIMITED, representing 91.1% of the total number of shares in the Company, on 28 September 2023. For these shares the Offeror paid a total consideration of EUR 500 000, i.e. EUR 0.013852 per share.

The 6-month weighted average market price of the Company's shares, calculated in accordance with p. 5.7.2 of the Rules for the Preparation, Approval and Implementation of the Circular of the Takeover Bid, approved by the Resolution of the Board of the Bank of Lithuania No. 03-47 of 28 February 2013, is EUR 0.13 (thirteen euro cents).

Pursuant to Article 29(1) of the Law on Securities, the price of a mandatory takeover bid should be at least EUR 0.014 (the 12-month transaction price of the Offeror) and at least EUR 0.13 (the 6-month market price).

In view of the above, the price offered by the Offeror in the takeover bid is EUR 0.13 per 1 nominal ordinary share.

14. Information about securities offered in exchange:

14.1. Name, legal form, legal entity code, registered office address, website of the company that issued these securities;

Not applicable.

14.2. Characteristics of these securities (type, class, ISIN code, nominal value, etc.);

Not applicable.

14.3. The number of securities offered in exchange held by the official offeror;

Not applicable.

14.4. In which regulated market operating member state of the European Union is it allowed to trade these securities;

Not applicable.

14.5. Where the prospectus of the offered securities and other information can be found.

Not applicable.

15. Information on the sources of financing of the takeover bid (whether own or borrowed funds will be used for the implementation of the takeover bid; how the return of borrowed (loaned) funds is ensured: guarantee, guarantee or pledge of property (mortgage), specify the lender, guarantor, guarantor, pledge holder (mortgage creditor) or others).

The implementation of the takeover bid will be carried out with borrowed funds, which will be lent by UAB "SME Finance" (legal entity code 304254910) in accordance with the Loan agreement no. EDS-SMEF/23-10-23/01, concluded on 23 October 2023 and its Annex no. 1. There are no security measures provided for in the loan agreement.

16. Proposed compensation for all rights holders' losses incurred in implementing the requirements of paragraphs 1-5 of Article 31 of the Law (method of determining compensation, method of payment).

Not applicable.

17. Circumstances determining the implementation of the official offer, which do not directly depend on the offeror.

Circumstances determining the implementation of the Takeover bid, which do not directly depend on the Offeror, are not known at the date of signing this Circular.

18. Plans and intentions of the offeror in relation to the company for which shares are being offered, should the takeover bid be implemented:

18.1. Continuity of business areas of the Company for which shares are being offered;

The Company is currently undergoing a restructuring process and is facing financial difficulties. The continuity of the company's operations and business areas will depend on the progress and outcome of the restructuring process.

18.2. restructuring (change in management structure), reorganization or liquidation;

The Company is currently undergoing a restructuring process which, if unsuccessful and if the Company is unable to resolve its financial difficulties, is subject to the risk of insolvency proceedings as provided for in Article 114(3) of the Law on insolvency of legal persons; In the event that the Offeror acquires shares representing at least 95 per cent of the total number of votes by way of a share buy-back, the Offeror would seek to exercise the right provided for in Article 32(1) of the Securities Act to compulsorily buy back the remaining shares (i.e., the right to require that the remaining shareholders sell the remaining shares).

18.3. policy towards the employees;

The policy towards the employees is not subject to change by the Offeror, however, the Company: is in financial difficulties and is in insolvency proceedings. In order to assist a company in financial difficulty, business processes may be reviewed and, where efficiencies can be made, operational efficiency measures may be envisaged, including staff reductions.

18.4. policy towards managers;

The Offeror does not intend to change the current policy towards managers. However, in order to help a company in financial difficulties, business processes may be reviewed and, if it is seen where efficiencies can be made, efficiency measures may be envisaged that may also affect the managers of the Company;

18.5. capital raising policy;

Taking into account the current financial condition of the Company, we do not see the possibility of attracting equity capital;

18.6. dividend policy;

There is no plan to change the dividend policy, but the Company is experiencing financial losses and there are unsettled creditors' claims, thus no dividend payment is planned.

18.7. planned amendments to the articles of association of the company of which the shares are being officially offered;

There are no plans to change the articles of association.

18.8. Special payments, incentive systems, etc. Which are provided to managers of the company which shares are being offered.

There are no special benefits or incentive systems for Company managers.

19. A written contract, which sets out the rights and mutual obligations of contractual parties, as well as responsibility for non-compliance with the rules for the preparation of the circular of the takeover bid, approval and implementation of the takeover bid.

Not applicable.

20. Written agreements with other persons regarding voting at the general meeting of shareholders of the company which the shares are officially offered.

There are none.

21. The law that will govern the agreements between the offeror and the holders of the securities of the offeree company, the shares of which are being offered, in connection with the takeover bid, and the competent courts.

Contracts concluded by the holders of securities related to the takeover bid will be governed by the law of the Republic of Lithuania, and the competent courts will be the courts of the Republic of Lithuania.

22. Data of the Offeror:

22.1. Has the official offeror (natural person) fined with administrative fines for violations of legislation regulating the securities market in the last 5 years;

Not applicable.

22.2. Does the provider of the official proposal (natural person) have an outstanding conviction for crimes against property, farming procedures, finances.

Not applicable.

23. Information about ongoing court and third-party court (arbitration) proceedings that have or may have a significant impact on the activity and financial situation of the offeror.

There are no such court or arbitration court proceedings that could have a significant impact on the activities or financial position of the Offeror.

24. Information sources that publish information about the takeover bid and its implementation.

Information about the takeover bid and its implementation is published in the electronic publication authorized by the Administrator of the Register of Legal Entities for the publication of public notices, in the AB Nasdaq Vilnius information system and on the Company's website www.snaige.lt in the "Investors" section.

25. Other data at the discretion of the Offeror.

The restructuring case of the Company No eB2-821-555/2024 is being heard at Kaunas Regional Court. The restructuring plan of the Company was approved by Kaunas Regional Court on 29 February 2024.

26. Confirmation by the persons who prepared the circular of the takeover bid and are responsible for the information provided in it, that the information provided in this circular corresponds to reality and that no essential data has been omitted that could influence the opinion of the securities owners about the takeover bid.

By signing, the representative of the consulting the law firm Šenavičius ir partneriai RESPONSE, which prepared the circular, confirms that the information was disclosed properly and in accordance with the requirements of the law and information provided by the Offeror, on the basis of which the takeover bid is announced.

Attorney-at-law Vytautas Šenavičius

By signing, the Offeror confirms that the information provided in the Circular corresponds to reality and that no essential data has been omitted that could influence the opinion of the security holders about the takeover bid.

Date of signature 2024-05-06

UAB EDS INVEST 3
CEO Rasa Butkuvienė