

## **SILVANO FASHION GROUP Notice of convening the Annual General Meeting of shareholders, Agenda and Proposals**

The Management Board of AS Silvano Fashion Group, registry code 10175491, registered address Tulika 15/17, 10613 Tallinn, (hereinafter also **SFG**) convenes an annual general meeting of shareholders on 3 May 2019 at 10:00 (Estonian time) in Hilton Park Hotel conference hall “Atlantic City”, address Fr. R. Kreutzwaldi 23, 10147 Tallinn, Estonia.

The registration of participants of the General Meeting starts at 09:30 (Estonian time) at the venue of the meeting.

### **I Agenda**

Pursuant to the resolution adopted by the SFG's Supervisory Board on 22 March 2019, the general meeting will have the following agenda:

1. Approval of the 2018 Annual Report of AS Silvano Fashion Group;
2. Distribution of the 2018 profit of AS Silvano Fashion Group;
3. Recalling of Ants Susi from the Supervisory Board;
4. Election of Triin Nellis as the new member of the Supervisory Board;
5. Supervisory board remuneration;
6. Amendment of the Articles of Association;
7. Increase of the share capital of AS Silvano Fashion Group.

### **II Proposals of the Management Board and the Supervisory Board**

The Management Board and the Supervisory Board make the following proposals to the shareholders with regard to the agenda:

#### **1. Approval of the 2018 Annual Report of AS Silvano Fashion Group**

Proposal of the Management Board and the Supervisory Board:

1. To approve the 2018 Annual Report of AS Silvano Fashion Group.

#### **2. Distribution of the 2018 profit of AS Silvano Fashion Group**

Proposal of the Management Board and the Supervisory Board:

- 2.1. To approve the profit of the 2018 financial year in the amount of EUR 10,796,000;
- 2.2. Not to make any allocations from the 2018 profit of AS Silvano Fashion Group into the reserve capital of AS Silvano Fashion Group or any other reserves previewed by law or the articles of association;
- 2.3. To distribute the profit by paying dividends to the shareholders of AS Silvano Fashion Group as follows:
  - 2.3.1. Shareholders entitled to dividends include persons entered in the Company's share register on 17 May 2019 as at the end of the working day of the settlement system. The ex-date is 16 May 2019; as of this date a person who acquired shares is not entitled to dividends for the 2018 financial year.

2.3.2. To pay to the entitled shareholders of AS Silvano Fashion Group as dividends EUR 0.20 per share as follows:

2.3.3. to pay dividends EUR 0.10 per share by 20 May 2019 latest;

2.3.4. to pay dividends EUR 0.10 per share by 10 October 2019 latest;

2.4. To allocate the rest of the profit of AS Silvano Fashion Group from the 2018 financial year into the undistributed profit of previous periods.

### **3. Recalling Ants Susi from the Supervisory Board**

Proposal of the Management Board and the Supervisory Board:

3.1 To recall Mr. Ants Susi from the Supervisory Board of SFG. The authorities of Mr. Ants Susi as the member of the Supervisory Board of SFG shall be deemed to have expired as of May 3, 2019.

### **4. Election of Triin Nellis as the new member of the Supervisory Board**

4.1. To elect Triin Nellis as the new member of the Supervisory Board of SFG, whose term of office shall start on May 3, 2019 and expire on June 30, 2021.

### **5. Supervisory board remuneration**

5.1. To amend the remuneration policy of the supervisory board members, approved by the shareholders' meeting on June 30, 2012 as follows:

- To assign monthly gross remuneration of 5,000 euros for the chairman of the supervisory board;

- To assign monthly gross remuneration of 2,000 euros for the supervisory board;

### **6. Amendments to the Articles of Association**

To amend the Articles of Association due to the changes in the share capital of the Company:

6.1. To amend section 2.2. of the Articles of Association and reinstate it in the following wording: "All shares of the Company are registered shares. The nominal value of a registered share is 0,20 (twenty) cents. A share grants 1 (one) vote at the General Meeting. ".

6.2. To approve the new version of the Articles of Association as attached.

### **7. Increase of the share capital of AS Silvano Fashion Group**

Proposal of the Management Board and the Supervisory Board:

7.1. The share capital of SFG shall be increased by 3,600,000 EUR from 3,600,000 EUR to 7 200 000 EUR by the increase of the nominal value of existing shares by 0,10 EUR per share, i.e. from 0.10 EUR to 0.20 EUR.

7.2. The share capital of SFG shall be increased via a bonus issue on the account of the share

premium. The bonus issue shall be carried out on the basis of the 2018 annual report, that has been approved by the shareholders together with the decision on the distribution of profit. The bonus issue shall be carried out on the account of the share premium in the amount of 3,600,000 EUR. After the bonus issue, the new size of the share capital shall be 7,200,000 EUR that is divided into 36,000,000 shares with the nominal value of 0,20 EUR each share.

7.3. The list of shareholders who shall be entitled to participate in the bonus issue shall be fixed as at 17 May 2019 as at the end of the working day of the settlement system. The ex-date is 16 May 2019; as of this date a person who acquired shares is not entitled to participate in the bonus issue. The increase of the nominal value of the shares shall take place immediately after the registration of the share capital increase with the Commercial Register.

### **III Organizational questions**

The list of the shareholders entitled to participate in the ordinary general meeting shall be fixed 7 days prior to the date of the General Meeting, i.e. on 25 April 2019 as at the end of the working day of the settlement system. (Estonian time).

At the General Meeting, a shareholder is entitled to receive information from the Management Board about the activities of SFG. The Management Board may decide to withhold information if there is a reason to believe that the disclosure of information may cause significant damage to the interests of SFG. If the Management Board refuses to disclose information, the shareholder may demand from the General Meeting to adopt a resolution regarding to the lawfulness of the information request or file a petition to a court of law within two weeks of the General Meeting requesting the court for the ruling requiring the Management Board to disclose the information.

The shareholders whose shares represent at least 1/20 of the share capital may request for additional items to be included in the agenda of the General Meeting, if the respective request is submitted in writing at least 15 days prior to the General Meeting.

The shareholders whose shares represent at least 1/20 of the share capital may present their draft resolutions to each item in the agenda in writing no later than 3 days before the General Meeting.

Draft resolution regarding to the agenda items and other documents presented to the General Meeting (including annual report, report of the sworn auditor, profit distribution proposal and report of the Supervisory Board) are available for examination on every working day as of the notification of the General Meeting until the business day preceding the day of the General Meeting at the headquarters of the Company at Tulika 15/17, Tallinn on business days from 10 a.m. until 3 p.m. (Estonian time).

On the day of the General Meeting the materials related to the agenda of the General Meeting are available for examination at the venue of the General Meeting as of the opening of registration of participants until the end of the General Meeting. In order to examine the documents: (1) the shareholders who are natural persons are required to present a document verifying their identity and their representatives are additionally required to present the power of attorney in written form; (2) the representatives of the shareholders who are legal entities shall present (a) an extract from the registry where the legal entity is registered; and (b) a document verifying the identity of representative; and (c) in case of representation on the basis of proxy, also a power of attorney.

Documents and data which are disclosed according to Article 294<sup>1</sup> of the Estonian Commercial Code, including the Annual Report, report of the sworn auditor, profit distribution proposal, report of the Supervisory Board, draft resolutions regarding to the agenda items, data on the Company's shares and voting rights related to the shares as of the

date of the notice on the convening of the General Meeting and the templates of power of attorney are available on the homepage of the Company: <http://www.silvanofashion.com>. The following documents must be submitted to participate in the General Meeting:

- the shareholders who are natural persons shall present a document verifying their identity and their representatives shall present the power of attorney in written form;
- the representatives of the shareholders who are legal entities shall present (a) an extract from the registry where the legal entity is registered; and (b) a document verifying the identity of representative; (c) in case of representation on the basis of proxy, also a power of attorney.

Unless otherwise provided by a foreign agreement, a document issued by a foreign authority shall be duly apostilled or legalized. Documents in foreign language should be accompanied by the translation into Estonian, verified by relevant institution.

Prior to the General Meeting the shareholder may notify the Company of the appointment of a representative or the revocation of the representative's authority by sending a digitally signed e-mail message to [info@silvanofashion.com](mailto:info@silvanofashion.com) or by delivering the information in person on workdays between 10 a.m. to 3 p.m. (Estonian time) or via mail to AS Silvano Fashion Group, Tulika 15/17, 10613 Tallinn, Estonia by 5 p.m. (Estonian time) on the business day preceding the day of the General Meeting.

For any information regarding the general meeting of the shareholders or the agenda items, please contact Jarek Särgava (e-mail [info@silvanofashion.com](mailto:info@silvanofashion.com); phone +372 6845 000).

Jarek Särgava

Member of the Board

Silvano Fashion Group

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