



MINUTES OF EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF AB "IGNITIS GRUPĖ"

29 JULY 2021



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The Extraordinary General Meeting of Shareholders of AB "Ignitis grupė" (legal entity code 301844044, head office Žvejų St. 14, 09310, Vilnius) (hereinafter – Ignitis Group or parent company), a parent company with a share capital of EUR 1,658,756,293.81, which is divided into 74,283,757 ordinary registered shares, was held on 29 July 2021 at 10 am EEST at Radisson Blu Hotel Lietuva, Konstitucijos av. 20, Vilnius.

The agenda items of the Extraordinary General Meeting:

1. *Regarding the acquisition of AB "Ignitis grupė" own shares*
2. *Regarding the approval of the new wording of the Articles of Association of AB "Ignitis grupė" and the power of attorney*

The agenda was as follows:

1. Opening of the Extraordinary General Meeting

Darius Kašauskas, Chief Financial Officer of the parent company, substituting the Chief Executive Officer, (hereinafter – Speaker) began by welcoming the shareholders to the Extraordinary General Meeting of Shareholders (hereinafter – Meeting). The Speaker introduced himself, Jonas Rimavičius, Head of Corporate Finance, Milda Kaupelienė, a legal expert, Rūta Palujanskaitė, a lawyer, and Donatas Kisielius, a bailiff recording the procedure.

The Speaker explained the decision to convey the Meeting, issuing and the procedure of the call to the Meeting, and the approval of its agenda. He explained the parent company's share capital and its division into shares, where a share to vote ratio is 1:1.

41 filled-in general ballot papers were submitted in advance. The ballot papers were submitted by the shareholders who, collectively, have ownership rights to 60,612,497 units of shares, which accounts for 81.6% of the total shares.

There were four power of attorneys submitted. No agreements on disposal of voting rights have been submitted.

The number of votes of the shareholders participating in the Meeting is 60,612,508 out of 74,283,757 total possible votes, which accounts for 81.6% of the total possible votes.

The Speaker introduced the principal shareholder, the Ministry of Finance, representing the Republic of Lithuania, which owns 54,283,757 shares or 73.08% of the parent company.

The Speaker stated that the quorum is formed, and the Meeting is able to adopt resolutions.

2. Organisational issues of the Meeting

The Speaker then explained the procedure for selecting the Chair of the Meeting and for voting using voting cards.

The Meeting is conducted in Lithuanian with simultaneous interpretation being broadcasted in English.

The Speaker suggested Milda Kaupelienė for the candidacy for the Chair of the Meeting. There were no other candidacies suggested. 11 voted FOR, 0 voted AGAINST. The decision to appoint Milda Kaupelienė as the Chair of the Meeting has been approved.

The Speaker then gave the floor to the Chair of the Meeting.

The Chair of the Meeting proceeded to lead the meeting. She greeted the participants and informed that the Meeting is recorded in video and audio formats. The Chair then proceeded to explain organisational issues such as voting procedures, electing a vote counting commission and its chair.

The Chair proposed the following Rules of Procedure of the Meeting for approval:

1. Meeting Secretary – Rūta Palujanskaitė
2. Person responsible for performance of actions set out in the Paragraphs 2 and 3 of Article 22 of Law on Companies of the Republic of Lithuania – Rūta Palujanskaitė
3. Composition of the vote counting commission:

- i. Aistė Bartašiūnaitė – chair of the commission;
 - ii. Arnas Kulnys – member of the commission;
 - iii. Rapolas Lisonka – member of the commission.
4. Not to elect a shareholder representative authorised thereof to sign the minutes
 5. Items of agenda are discussed and voted on in the order provided in the agenda.
 6. The speakers are not time restricted in respect of items of the agenda. Q&A per item of agenda is time restricted to 15 minutes. Discussion participants shall have up to 3 minutes each and the total time for discussions per item is 15 minutes.
 7. Alternative draft resolutions of the Meeting (if there are any) proposed by shareholders shall be submitted in writing to the Secretary of the Meeting or submitted orally. The Secretary of the Meeting shall record them in the minutes of the Meeting.
 8. Voting in the Meeting on all items is open. Agenda items of the Meeting will be voted by the voting cards provided by the Secretary of the Meeting. Secret voting is mandatory to all shareholders on items, which were requested to have secret voting by at least one of the shareholders and it is agreed by the shareholders who hold at least 1/10 of the votes in the Meeting.

The Chair asked if all participants of the Meeting agree with the proposals and if there are any alternative proposals. There were no alternative proposals. The Chair proposed to vote on the draft resolutions. 11 voted FOR, 0 voted AGAINST. With all organisational issues resolved, the Chair proposed to move on to the agenda items.

The Chair read the items of the agenda approved by the decision of the Management Board of the parent company on 7 July 2021. The Chair asked for comments on the items of agenda. There were no comments. The Chair proposed to move to resolve the items.

3. Presentation of the item 1 of the agenda

“1. Regarding the acquisition of AB “Ignitis grupė” own shares.”

The Chair gave the floor to Jonas Rimavičius to present item 1 of the agenda. Jonas explained that the agenda item is related to the shares stabilized after the IPO. The purpose of stabilisation is maintaining share price in the secondary market, which is heavily regulated by EU legal acts with maximum buy-back period and volume allowed being 30 days and 15% of shares, respectively. Jonas Rimavičius explained that 10% of Ignitis Group shares were bought back for approximately EUR 43 million. Jonas then explained alternatives for handling the stabilized shares. An alternative to acquire own shares was chosen over selling them in the secondary market due to the following reasons:

- i. As per management’s assessment, the market share price does not reflect the actual value;
- ii. Increased returns per share when acquiring own shares;
- iii. It is considered to be profitable to the parent company within the provided margins.

Jonas Rimavičius then proceeded to list and explain the parameters of the proposed acquisition of own shares, the parameters being: purpose of the acquisition, maximum number of shares to be acquired, maximum period for acquiring own shares, maximum and minimum purchase price and other parameters, such as authorisation of the Management Board to organise the acquisition, determine its procedure and carry out the acquisition as necessary.

Jonas Rimavičius asked if there are any questions in relation to the presented information. There were no questions.

The Chair of the Meeting concluded the Q&A part and proposed to move forward to the resolution of the item 1 of the agenda.

4. Resolution of the item 1 of the agenda

The Chair proceeded to read the draft resolution for item 1 approved by the Management Board of the parent company on 7 July 2021:

“1.Regarding the acquisition of AB “Ignitis grupė” own shares.

1. *The purpose of the acquisition of own shares – reducing AB “Ignitis grupė” share capital by annulling the acquired own shares of AB “Ignitis grupė”;*
2. *The maximum number of shares to be acquired – 1,243,243 shares (i.e., equal to a reserve formed for the acquisition of own shares (EUR 23,000,000) divided by the minimum purchase price, see below), corresponding to approximately 1.7% of total number of shares;*

3. *The period within which AB "Ignitis grupė" may acquire its own shares – 18 months after the date of adoption of this decision;*
4. *Minimum share purchase price – EUR 18.50, maximum share purchase price – EUR 22.50;*
5. *To authorise the Management Board of AB "Ignitis grupė" to make decisions on the acquisition of AB "Ignitis grupė" own shares, including:*
 - i. *organising the acquisition of own shares through Nasdaq Vilnius tender auction platform;*
 - ii. *determining the procedure, time, number of shares and price as well as performing other actions related to the acquisition of own shares, in accordance with the conditions set in this resolution of general meeting of shareholders and requirements of legal acts;*
 - iii. *initiating and carrying out the acquisition of own shares as many times as the Management Board deems necessary by a separate decision of the Management Board."*

The Chair asked if shareholders who hold at least 1/20 of all votes have alternative draft resolutions for the agenda item 1. No alternative draft resolutions were provided.

The Chair proposed to vote on the agenda item 1.1. 60,612,347 voted FOR, 150 voted AGAINST. The resolution was adopted.

The Chair proposed to vote on the agenda item 1.2. 60,612,347 voted FOR, 150 voted AGAINST. The resolution was adopted.

The Chair proposed to vote on the agenda item 1.3. 60,612,347 voted FOR, 150 voted AGAINST. The resolution was adopted.

The Chair proposed to vote on the agenda item 1.4. 60,612,347 voted FOR, 150 voted AGAINST. The resolution was adopted.

The Chair proposed to vote on the agenda item 1.5. 60,612,347 voted FOR, 150 voted AGAINST. The resolution was adopted.

5. Presentation of the item 2 of the agenda

"2. Regarding the approval of the new wording of the Articles of Association of AB "Ignitis grupė" and the power of attorney."

The Chair proceeded to present item 2 of the agenda. The Extraordinary General Meeting of Shareholders was proposed to approve the new wording of the Articles of Association of the parent company, in which the following changes are made:

1. On 2 July 2021 the Ministry of Finance, an authority implementing the majority shareholder's – Republic of Lithuania, who owns 73.08% of parent company's shares – rights (has issued an order on the amendment of the description of the parent company's Corporate Governance Guidelines (hereinafter – Corporate Governance Guidelines), approved under the order No 1k-205 of 7 June 2013 of the Minister of Finance of the Republic of Lithuania ([link](#)). The procedure for forming the parent company's Audit Committee has been amended in the Corporate Governance Guidelines by establishing that members of the Audit Committee will no longer be selected by the parent company's Supervisory Board, but rather by the decision of the General Meeting of Shareholders. In view of this, it is proposed to amend the provisions of the parent company's Articles of Association regarding the formation of the Audit Committee.
2. In the Lithuanian version of the parent company's Articles of Association the title of the parent company's Chief Executive Officer is proposed to be changed. It is proposed to do so in the light of the recent changes in the parent company's organizational structure and list of positions, where the words "service", "department", "division" have been omitted from the names of structural units, leaving only a descriptive name of the activity itself and if acting at the level of the parent company's group of companies, this is emphasized by adding the word "Group". These changes aim to blur the boundaries between hierarchical levels and reduce the importance of hierarchical dependence. It should be noted that the English version of the Chief Executive Officer's title remains unchanged.
3. It is proposed to change the criterion for assessing the materiality of the parent company's proposed related party transactions, which must be addressed to the parent company's Supervisory Board, determining that each transaction should be valued, but not a group of them. The main reasons for this are:
 - i. as the parent company's group of companies grows, the relative materiality of each individual transaction at the group level decreases;
 - ii. when assessing a group of transactions, the threshold is often reached with the first transaction (e. g, short-term financing), so all subsequent transactions, even those of low value, fall under the definition that is proposed to be changed;

- iii. reducing excessive administrative burdens that limit the speed of decision-making.

A transaction would be considered to have a material impact on the parent company, its finances, assets and liabilities if the value of the transaction is more than 1/50 of the parent company's share capital, except for:

1. the transactions which are necessary to ensure the parent company's main activities;
2. the transactions which must be entered into according to the requirements of legislation.

The Chair asked if there are any questions. There were no questions. The Chair of the Meeting concluded the Q&A part and proposed to move forward to the resolution of the item 2 of the agenda.

6. Resolution of the item 2 of the agenda

The Chair proposed to vote on the agenda item 2.

The Chair proceeded to read the draft resolution for item 2 approved by the Management Board of the parent company on 7 July 2021:

"2.1. To approve the new wording of the Articles of Association of AB "Ignitis grupė"."

"2.2. To authorize the Chief Executive Officer of AB "Ignitis grupė" or another person authorized by him to sign the amended Articles of Association of AB "Ignitis grupė" and to perform all actions necessary for the implementation of this decision."

The Chair asked if shareholders who hold at least 1/20 of all votes have alternative draft resolutions for the agenda item 2. No alternative draft resolutions were provided.

The Chair proposed to vote on the agenda item 2.1. 60,612,358 voted FOR, 150 voted AGAINST. The resolution was adopted.

The Chair proposed to vote on the agenda item 2.2. 60,612,358 voted FOR, 150 voted AGAINST. The resolution was adopted.

The Chair stated that all items of agenda of the Meeting have been resolved and asked if there are any comments regarding the procedure of the Meeting. There were no comments.

The Chair also informed that the Minutes of the Extraordinary General Meeting of Shareholders will be prepared and signed in 7 days from the day of the Meeting. All participants of the Meeting will have the right to access the Minutes by visiting the parent company's headquarters at the prearranged time, which can be arranged by contacting IR@ignitis.lt. Comments or opinion on the Minutes and facts established therein can be submitted not later than 3 days from the day of access thereof, and not later than 10 days from the day of the Meeting.

7. Conclusion of the Extraordinary General Meeting

The Chair concluded the Meeting. The Speaker thanked everyone for participating in one of the first meetings after such a lengthy quarantine and wished everyone a good day.

The Meeting was then closed.