

**ANNUAL GENERAL MEETING OF SHAREHOLDERS OF DIGI COMMUNICATIONS N.V. (THE COMPANY) TO BE HELD ON WEDNESDAY, MAY 2, 2018 AT 12:00 P.M. CEST AT RADISSON BLU HOTEL AMSTERDAM AIRPORT, BOEING AVENUE 2, 1119 PB SCHIPHOL-RIJK, THE NETHERLANDS**

**AGENDA**

**1. Opening**

**2. Annual Report 2017**

- a. Board report 2017 (discussion item)
- b. Application of the remuneration policy in 2017 (discussion item)
- c. Corporate governance of the Company and compliance with Dutch Corporate Governance Code (discussion item)
- d. Dividend and Reservations Policy (discussion item)
- e. Adoption of the 2017 Annual Accounts (voting item)
- f. Distribution of dividend (voting item)
- g. Release from liability of the members of Board of Directors (voting item)

**3. Appointment of Statutory Auditor**

Proposal to appoint Ernst & Young Accountants, LLP, Netherlands as the statutory auditor of the Company for the financial year 2018 (voting item)

**4. Designation of the Board of Directors as the competent body to repurchase own Class B Shares**

Designation of the Board of Directors as the competent body to repurchase Class B Shares (voting item)

**5. Approval of award of stock options and shares to executive and non-executive directors and relating amendment of the remuneration policy, and amendment of the Company's Share Option Plan**

- a. Authorize the Board of Directors to decide upon the award of stock options and shares to executive and non-executive directors and relating amendment of the remuneration policy for non-executive directors (voting item)
- b. Amendment of the Company's Share Option Plan (voting item)

**6. Close of Meeting**

## **EXPLANATORY NOTES TO THE AGENDA**

### **Item 1: Opening**

The chairman of the Board of Directors will open the annual general meeting of shareholders.

### **Item 2: Annual Report 2017**

#### *a. Board Report 2017 (discussion item)*

The board report for 2017 is contained in the Company's Annual Report 2017. The Annual Report has been publicly available for inspection through the Company's corporate website [www.digi-communications.ro](http://www.digi-communications.ro) as from 21 March 2018, the date on which this agenda and convocation notice was published.

#### *b. Application of the remuneration policy in 2017 (discussion item)*

The remuneration report for 2017 is contained in the Company's Annual Report 2017. For further details on the remuneration of the Company's directors please refer to the "Remuneration of Directors" section of the Stand-alone Financial Statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union for the year ended 31 December 2017.

#### *c. Corporate governance and compliance with Dutch Corporate Governance Code (discussion item)*

As a company with shares listed on the Regulated Spot Market of the Bucharest Stock Exchange, the Company is subject to the BSE Corporate Governance Code, in effect starting from January 4, 2016. As a Dutch company, the Company is also subject to the Dutch Corporate Governance Code, current version in effect starting from January 1, 2017.

The Dutch Corporate Governance Code requires companies to discuss the chapter of the Annual Report outlining its corporate governance structure and compliance with the applicable corporate governance codes.

These matters (including the disclosure of deviations from the Dutch Corporate Governance Code) are covered in the section "Corporate Governance" of the Company's Board Report 2017.

#### *d. Dividend and Reservations Policy (discussion item)*

The dividend and reservations policy is described in the Company's Annual Report 2017. For further details on the dividend and reservations policy please refer to the "Dividend and Reservations Policy" section of the Annual Report 2017.

#### *e. Adoption of the Annual Accounts 2017 (voting item)*

The Company's Annual Accounts 2017 have been drawn up by the Board of Directors and audited by Ernst & Young Netherlands, which has issued an unqualified opinion.

*f. Distribution of Dividend (voting item)*

The Board of Directors proposes to distribute a gross dividend in cash of RON 0.35 per outstanding share (both Class A Shares and Class B Shares equally), totaling an amount of RON 32,687,719.75. The Board of Directors notes that the dividend is proposed to be made not in Euro but in Romanian leu. The total amount of RON 32,687,719.75 is equivalent to approximately EUR 7,006,263 translated at the exchange rate reported by the National Bank of Romania from March 20, 2018.

The listed Class B shares will be quoted ex-dividend from May 21, 2018 and the record date for the dividend shall be May 22, 2018. It is expected that the dividend will be paid on May 29, 2018.

*g. Release from liability of the members of the Board of Directors (voting item)*

The general meeting of shareholders is requested to release: (i) the executive directors from liability for their management insofar as such management is apparent from the financial statements or otherwise disclosed to the shareholders prior to the adoption of the annual accounts, and (ii) the non-executive directors from liability for their supervision insofar as such supervision is apparent from the financial statements or otherwise disclosed to the shareholders prior to the adoption of the annual accounts.

**Item 3: Appointment of Statutory Auditor (voting item)**

The Audit Committee has reviewed and considered the performance of the statutory auditors in connection with the review and audit of the Company's annual consolidated and stand-alone accounts for 2017 and, based on such review, the Audit Committee and the other non-executive directors have recommended to the Board of Directors to appoint Ernst & Young Accountants LLP, Netherlands, as the Company's statutory auditors for the financial year ending 31 December 2018.

**Item 4: Designation of the Board of Directors as the competent body to repurchase own class B Shares (voting item)**

In accordance with article 10 of the articles of association, it is proposed to grant the Board of Directors the authority to acquire class B shares in the share capital of the Company through stock exchange trading or otherwise, in accordance with the applicable legal provisions, for a period of 12 months from the date of the AGM and therefore up to and including 1 May 2019. The authority of the Board of Directors shall be limited to a maximum of up to 10% of the issued class B share capital at the close of trading on the Regulated Spot Market of the Bucharest Stock Exchange on the date of the AGM, 2 May 2018 and, in compliance with applicable rules and regulations, subject to a maximum price per class B share equal to the average of the highest price on each of the five trading days prior to the date of acquisition, as shown in the Official Price List of the Regulated Spot Market of the Bucharest Stock Exchange plus 5% (maximum price) and to a minimum price per common share equal to the average of the lowest price on each of the five trading days prior to the date of acquisition, as shown in the Official Price List of the Regulated Spot Market of the Bucharest Stock Exchange minus 5% (minimum price).

The Board of Directors intends to appoint an independent specialized trading /

brokerage firm to execute any such buy-back.

**Item 5: Approval of award of stock options and shares to executive and non-executive directors and relating amendment of the remuneration policy, and amendment of the Company's Share Option Plan**

- a. *Authorize the Board of Directors to decide upon the award of stock options and shares to executive and non-executive directors and relating amendment of the remuneration policy for non-executive directors (voting item)*

In accordance with article 15, paragraph 11 of the articles of association of the Company, the Class A Meeting proposes to award stock options to acquire class B shares in the capital of the Company to executive directors and non-executive directors subject to the criteria of the Company's Share Option Plan (the details of which can be found on the Company's corporate website [www.digi-communications.ro](http://www.digi-communications.ro)), as provided in Annex 1 and Annex 2 herein.

The Board of Directors may decide, at its discretion, whether to allocate currently held class B shares in its own share capital in treasury, to convert currently held class A shares in its own share capital in treasury into class B shares (in accordance with article 5 from the articles of association of the Company) or to buy-back shares from the market under the authority proposed to be granted to the Board of Directors under agenda item 4 above, such in accordance with the articles of association of the Company.

It is also proposed that the above amendment be reflected in the remuneration policy.

- b. *Amendment of the Company's Share Option Plan*

It is proposed to approve the amendment of article 2.5. of the Company's Share Option Plan as follows:

***“2.5. No amount shall be paid by an Eligible Participant for the grant of an Option. The general meeting of the shareholders will approve in exceptional circumstances when the grant of an Option to an Eligible Participant will be made in exchange for a price.”***

It is proposed that the above amendment be reflected in the Company's Share Option Plan.

**Item 6: Close of meeting**

The chairman of the meeting will close the general meeting of shareholders.

## Annex 1

### Terms and conditions of ESOP Class B Shares grant applicable to the executive Board members of the Company in 2018 and 2019

All capitalized terms used in the table below have the meaning set out in the ESOP unless otherwise specified.

#### Year 2018

Name	Serghei Bulgac	Valentin Popoviciu
<b>Number of Class B Shares granted under Stock Option 1</b>	128,000	66,000
<b>Grant Date for Stock Option 1</b>	14 May 2018	14 May 2018
<b>Normal Vesting Date for Stock Option 1</b>	15 May 2019	15 May 2019
<b>Performance condition related to Stock Option 1</b>	Being a director or employee by the Company or its subsidiaries on the Vesting Date	Being a director or employee by the Company or its subsidiaries on the Vesting Date
<b>Number of Class B Shares granted under Stock Option 2</b>	14,000	8,000
<b>Grant Date for Stock Option 2</b>	14 May 2018	14 May 2018
<b>Normal Vesting Date for Stock Option 2</b>	15 May 2019	15 May 2019
<b>Performance conditions related to Stock Option 2</b>	EBITDA of the Company as determined on the basis of IFRS financial statements for the year 2018 being at least 5% higher than EBITDA of the Company as determined on the basis of the IFRS financial statements for the year 2017	EBITDA of the Company as determined on the basis of IFRS financial statements for the year 2018 being at least 5% higher than EBITDA of the Company as determined on the basis of the IFRS financial statements for the year 2017

<b>Name</b>	<b>Serghei Bulgac</b>	<b>Valentin Popoviciu</b>
<b>Number of <sup>1</sup>Class B Shares granted under Stock Option 3</b>	14,000	8,000
<b>Grant Date for Stock Option 3</b>	14 May 2018	14 May 2018
<b>Normal Vesting Date for Stock Option 3</b>	15 May 2019	15 May 2019
<b>Performance condition related to Stock Option 3</b>	Number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2018, having increased by at least 300,000 units when compared with number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2017.	Number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2018, having increased by at least 300,000 units when compared with number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2017.
<b>Number of Class B Shares granted under Stock Option 4</b>	14,000	8,000
<b>Grant Date for Stock Option 4</b>	14 May 2018	14 May 2018
<b>Normal Vesting Date for Stock Option 4</b>	15 May 2019	15 May 2019
<b>Performance condition related to Stock Option 4</b>	Leverage ratio for the group (calculated as consolidated total net financial indebtedness to EBITDA on the basis of IFRS group accounts for the year 2018) to be not more than 3.25:1.	Leverage ratio for the group (calculated as consolidated total net financial indebtedness to EBITDA on the basis of IFRS group accounts for the year 2018) to be not more than 3.25:1.

<sup>1</sup> Stock Options are granted for no consideration.

## Year 2019

<b>Name</b>	<b>Serghei Bulgac</b>	<b>Valentin Popoviciu</b>
<b>Number of Class B Shares granted under Stock Option 1</b>	128,000	66,000
<b>Grant Date for Stock Option 1</b>	15 April 2019	15 April 2019
<b>Normal Vesting Date for Stock Option 1</b>	16 April 2020	16 April 2020
<b>Performance condition related to Stock Option 1</b>	Being a director or employee by the Company or its subsidiaries on the Vesting Date	Being a director or employee by the Company or its subsidiaries on the Vesting Date
<b>Number of Class B Shares granted under Stock Option 2</b>	14,000	8,000
<b>Grant Date for Stock Option 2</b>	15 April 2019	15 April 2019
<b>Normal Vesting Date for</b>	16 April 2020	16 April 2020
<b>Performance conditions related to Stock Option 2</b>	EBITDA of the Company as determined on the basis of IFRS financial statements for the year 2019 being at least 5% higher than EBITDA of the Company as determined on the basis of the IFRS financial statements for the year 2018	EBITDA of the Company as determined on the basis of IFRS financial statements for the year 2019 being at least 5% higher than EBITDA of the Company as determined on the basis of the IFRS financial statements for the year 2018
<b>Number of Class B Shares granted under Stock Option 3</b>	14,000	8,000
<b>Grant Date for Stock Option 3</b>	15 April 2019	15 April 2019
<b>Normal Vesting Date for Stock Option 3</b>	16 April 2020	16 April 2020

Name	Serghei Bulgac	Valentin Popoviciu
<b>Performance condition related to Stock Option 3</b>	Number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2019, having increased by at least 300,000 units when compared with number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2018.	Number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2019 having increased by at least 300,000 units when compared with number of revenue generating units of the Group, as defined and set out in the Annual Report of the Company for the year 2018.
<b>Number of Class B Shares granted under Stock Option 4</b>	14,000	8,000
<b>Grant Date for Stock Option 4</b>	15 April 2019	15 April 2019
<b>Normal Vesting Date for Stock Option 4</b>	16 April 2020	16 April 2020
<b>Performance condition related to Stock Option 4</b>	Leverage ratio for the group (calculated as consolidated total net financial indebtedness to EBITDA on the basis of IFRS group accounts for the year 2019) to be less than 3.25:1.	Leverage ratio for the group (calculated as consolidated total net financial indebtedness to EBITDA on the basis of IFRS group accounts for the year 2019) to be less than 3.25:1.



## Annex 2

### Terms and conditions of ESOP Class B Shares grant applicable to the non-executive Board members of the Company in 2018

Name	Marius Varzaru	Bogdan Ciobotaru
<b>Number of Class B Shares granted under Stock Option</b>	50,000	116,090
<b>Grant Date for Stock Option</b>	14 May 2018	14 May 2018
<b>Normal Vesting Date for Stock Option</b>	no sooner than 15 May 2019, but no later than 15 May 2020	no sooner than 15 May 2019, but no later than 15 May 2020
<b>Option Vesting Price</b>	for no consideration	in exchange for EUR 375,000
<b>Performance condition related to Stock Option</b>	Being a director or employee by the Company or its subsidiaries on the Vesting Date	Being a director or employee by the Company or its subsidiaries on the Vesting Date