

**STOCK EXCHANGE ANNOUNCEMENT**

The annual general meeting of shareholders of Olympic Entertainment Group AS (hereinafter the Company) was held today, on 5 May 2011, at 11.00 AM at Reval Park Hotel & Casino, Park Lounge, Kreutzwaldi 23, Tallinn (hereinafter Meeting).

The agenda of the Meeting contained the items set out in the notice of the Meeting published on 12 April 2011 on the website of the Company <http://www.olympic-casino.com> and via the information system of the Tallinn and Wasraw Stock Exchange, including approving the annual report for the previous financial year, deciding on the distribution of profits, appointing an auditor, determining the terms and conditions of the share option programme, amending the articles of association of the Company, reducing the share capital and extending the term of office of the members of the supervisory board.

The Meeting started at 11.00 and ended at 12.18. 33 shareholders attended the meeting representing 109,453,314 votes, constituting 72,33 % of the share capital. Therefore the Meeting was competent to pass resolutions regarding the items on the agenda of the Meeting.

The following resolutions were passed at the Meeting:

**1. Approval of the annual report**

The Meeting resolve to approve the annual report of the Company for the financial year 1 January 2010 - 31 December 2010

Tabulation of votes:

In favour:	109,409,403 votes	99.96 % of the votes represented at the Meeting
Against:	0 votes	0 % of the votes represented at the Meeting
Impartial:	36,271 votes	0.03 % of the votes represented at the Meeting
Did not vote:	7,640 votes	0.01 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

**2. Distribution of profits**

The Meeting resolved to distribute the net profit of the financial year that ended on 31 December 2010 in the amount of 17,885,032 Estonian kroons (1,143,062 euros) as follows:

Profit to be distributed to the shareholders: 0 kroons (0 euros);  
Contribution to the mandatory reserve capital: 894,252 kroons (57,153 euros);  
Allocating the profit for other purposes: 16,990,780 kroons (1,085,909 euros) is added to the retained loss of the previous years.

Tabulation of votes:

In favour:	109 410 567 votes	99.96 % of the votes represented at the Meeting
Against:	36 269 votes	0.03 % of the votes represented at the Meeting
Impartial:	6466 votes	0.01 % of the votes represented at the Meeting
Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

### **3. Appointment of the auditor**

The Meeting voted in favor of appointing PricewaterhouseCoopers AS as the auditor to the Company and to remunerate the auditor for auditing economic activities of the Company during the financial year 2011 in accordance with the agreement signed between the Company and PricewaterhouseCoopers AS.

Tabulation of votes:

In favour:	109,288,302 votes	99.85 % of the votes represented at the Meeting
Against:	0 votes	0 % of the votes represented at the Meeting
Impartial:	165,000 votes	0.15 % of the votes represented at the Meeting
Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

### **4. Approval of the terms and conditions of the share option programme**

The Meeting resolved to approve the share option program pursuant to the § 298 (2) and § 345 (1) of the Commercial Code upon the following terms and conditions:

- 1) The Company shall be entitled to issue in total up to 600,000 (six hundred thousand) share options until 30 June 2011. Every share option grants the eligible person the right to purchase 1 (one) share of the Company.
- 2) The eligible persons for this share option scheme are the senior executives of the Company and of undertakings of the Company's group, who are selected by the supervisory board of the Company, whereas the term "senior executive" shall be inclusive of both persons in an employment relationship, as well as members of the governing bodies (other than the members of the supervisory board of the Company). The management board of the Company may submit suggestions to the supervisory board regarding the selection of eligible persons from among the senior management staff.
- 3) The number of share options to be issued to individual senior executives shall be determined by the supervisory board of the Company. The supervisory board of the Company shall notify every senior executive included in the range of eligible persons of their relevant decision in writing.
- 4) Under these share option conditions one senior executive, being an eligible person for the share option, is entitled to receive no more than 70,000 (seventy thousand) share options.
- 5) If the eligible person wishes to acquire the share option designated for him or her, that person shall execute with the Company a written option agreement at the latest within one month following the receipt of such notice. If the eligible person does not conclude the option agreement within the referred term, the person loses the right for acquiring the share options allocated to him or her.
- 6) The implementation of the terms and conditions of the share option scheme, and the procedure for exercising the share option shall be set forth in the option agreement concluded by and between the Company and the eligible person.
- 7) The eligible person for the share option has the right to exercise the issued option as from the 37th calendar month following the issue of the option. For exercising the option the eligible

person shall submit the Company a statement of intent in accordance with the provisions of the share option agreement.

- 8) The eligible person for the share option may not transfer the share options issued to him or her.
- 9) For the purpose of complying with the share option conditions the Company shall issue up to 600,000 (six hundred thousand) shares with the price equal to the nominal value or the calculated value of the share with no nominal value.
- 10) The expiration date of the entire share option scheme shall be 1 September 2014 by which date the statement of intent for exercising the option must be submitted. The supervisory board shall establish the detailed time schedule of the share option scheme, and the procedure for exercising the same.
- 11) The exercise price of the share option is the nominal value of the share or the calculated value of the share with no nominal value per one share.
- 12) When new shares are issued to meet the terms and conditions of the share option scheme, such shares shall entitle the shareholder to receive dividends on the financial year when the shares were issued, and subject to adopting the resolution to pay dividends.
- 13) In connection with the share option the pre-emptive right of the shareholders to subscribe for new shares issued to comply with the share option conditions shall be excluded. Prior to registration of the increase of the share capital in the framework of the share option program the general meeting of the shareholders shall adopt resolution on the amendment of the articles of association of the Company for changing the number of the shares if this is required by the law.

Tabulation of votes:

In favour:	104,165,567 votes	95.17 % of the votes represented at the Meeting
Against:	4,005,735 votes	3.66 % of the votes represented at the Meeting
Impartial:	1,282,000 votes	1.17 % of the votes represented at the Meeting
Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

## **5. Amendment of the articles of association of the Company (Articles Amendment I)**

In relation with converting the share capital of the Company into euros and with the share option scheme the Meeting resolved to amend subsections 4.1., 4.2. and 4.7. of the articles of association of the Company and to approve them in the new wording as follows:

4.1. The minimum capital of the Company is 30,000,000 (thirty million) euros, and the maximum capital is 120,000,000 (one hundred and twenty million) euros.

4.2. The nominal value of a share of the Company is EUR 0.60 (sixty euro cents), and every share gives one vote at the general meeting of the Company.

4.7. In connection with the share option program, the Company's supervisory board may during the period of 3 (three) years as from 5 May 2011 increase the share capital of the Company by up to EUR 360,000 (three hundred and sixty thousand euros) by issuing up to 600,000 (six hundred thousand) new ordinary shares of the Company. As a result of the share capital increase by the supervisory board the maximum amount of the share capital of the Company may be

EUR 91,157,703 (ninety-one million one hundred and fifty-seven thousand seven hundred and three euros). If the Supervisory Board decides to increase the share capital then the precondition for registration of the increase of the share capital in the Commercial Register is the amendment of the articles of association for changing the number of the shares if the law requires the fulfilment of such precondition.

Tabulation of votes:

In favour:	108,022,933 votes	98.69 % of the votes represented at the Meeting
Against:	277,100 votes	0.25 % of the votes represented at the Meeting
Impartial:	1,153,269 votes	1.05 % of the votes represented at the Meeting
Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

#### **6. Conversion of the share capital of the Company into euros, and reduction of the share capital (Capital Reduction I)**

In relation to introducing the euro in Estonia the Meeting resolved to convert the Company's share capital from Estonian kroons into the euros, and reduce the share capital upon the following conditions:

- 1) convert the Company's share capital amount and the nominal value of the shares into the euro, by rounding the amount in euros with the precision of two digits after the decimal point. Pursuant to § 525<sup>2</sup> (3) of the Commercial Code the rounding has no legal consequence and does not affect any rights stemming from the shares, and the ratio of the nominal values of the shares to the share capital;
- 2) the share capital amount of the Company to be converted is EEK 1,513,295,050, i.e. EUR 96,717,181.37 that is divided into 151,329,505 shares, whereas the nominal value of the share to be converted is EEK 10, i.e. EUR 0.64;
- 3) reduce the Company's share capital by EUR 5 919 478.37 from EUR 96 717 181.37 to EUR 90 797 703, by reducing the nominal value of the shares, and making monetary disbursements to the shareholders. The disbursements to the shareholders shall be made within the term set forth by the law;
- 4) reduce the nominal value of every share by EUR 0.04, from EUR 0.64 to EUR 0.60;
- 5) as a result of the share capital reduction the new nominal value of the share shall be EUR 0.60, the number of the share remains the same (i.e. 151,329,505) and the total amount of the share capital shall be EUR 90,797,703;
- 6) the reason for reducing the share capital is the conversion of the share capital and the nominal value of the shares into the euro;
- 7) the list of shareholders involved in the share capital reduction shall be established at 23:59 on 19 May 2011.

Tabulation of votes:

In favour:	109,416,767 votes	99.97 % of the votes represented at the Meeting
Against:	0 votes	0 % of the votes represented at the Meeting
Impartial:	36,535 votes	0.03 % of the votes represented at the Meeting

Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

## **7. Adoption of shares with no nominal value and amendment the articles of association of the Company (Articles Amendment II)**

The Meeting resolved to adopt the shares with no nominal value and to amend subsections 4.2, 5.1 and 11.1 of the articles of association of the Company and to approve them in the new wording as follows:

4.2. The Company has 151,329,505 shares with no nominal value, and every share grants one vote at the general meeting.

5.1. The share shall grant the shareholder the right to participate in the management of the Company, and in the distribution of profits and, upon dissolution of the Company, of the remaining assets of the Company pro rata to the calculated value of the shares.

11.1. A shareholder shall be paid a share of profit (dividend) pro rata to the calculated value of the shareholder's shares.

As a result of adopting the no-nominal-value shares the Company has 151,329,505 with no nominal value, whereas every share grants its holder one vote at the general meeting. Following the adoption of resolution No. 7, the calculated value of the share shall be EUR 0.60. Resolution No. 7 shall enter into effect after the entries pertaining to the date of amending the articles of association and the new amount of the share capital, filed under the resolution No. 5 (Articles Amendment I) and resolution No. 6 (Capital Reduction I), have been entered in the commercial register.

Tabulation of votes:

In favour:	109,390,633 votes	99.94 % of the votes represented at the Meeting
Against:	4,400 votes	0 % of the votes represented at the Meeting
Impartial:	58,269 votes	0.05 % of the votes represented at the Meeting
Did not vote:	0 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

## **8. Reduction of the share capital of the Company (Capital Reduction II)**

The Meeting resolved to reduce the share capital of the Company as follows:

- 1) reduce the Company's share capital by EUR 9,079,770.30 from EUR 90,797,703 to EUR 81,717,932.70;
- 2) the share capital is reduced by reducing the calculated value of the shares: as a result the reduction the calculated value of the share of the Company is reduced from EUR 0.60 to EUR 0.54, whereas the number of the shares remains the same (i.e. 151,329,505), and the new amount of the share capital is EUR 81,717,932.70;
- 3) the share capital is reduced by making monetary disbursements to the shareholders. The disbursements to the shareholders shall be made within the term set forth by the law;

- 4) the reason reducing the share capital is that currently and in the near future the Company does need the amount of the share capital registered at present time and the requirements set to the share capital by the law have been fulfilled even if the amount of the share capital is lower;
- 5) the list of shareholders participating in the reduction of the share capital shall be fixed at 23:59 of the date when 2 weeks will have passed from the entry into effect of the resolution on reducing the share capital contained herein.

Resolution No. 8 shall enter into effect after the entries pertaining to the date of amending the articles of association and the new amount of the share capital, filed under the resolution No. 5 (Articles Amendment I) and resolution No. 6 (Capital Reduction I), have been entered in the commercial register.

Tabulation of votes:

In favour:	109,412,167 votes	99.96 % of the votes represented at the Meeting
Against:	4,400 votes	0 % of the votes represented at the Meeting
Impartial:	36,735 votes	0.03 % of the votes represented at the Meeting
Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

#### **9. Extention of the term of office of the members of the supervisory board of the Company**

The meeting resolved to extend the term of office of the members of the supervisory board Peep Vain, Liina Linsi and Jaan Korpusov for a term of 2 (two) years, as from 12 September .2011 (included).

Tabulation of votes:

In favour:	109,261,836 votes	99.83 % of the votes represented at the Meeting
Against:	0 votes	0 % of the votes represented at the Meeting
Impartial:	191,466 votes	0.17 % of the votes represented at the Meeting
Did not vote:	12 votes	0 % of the votes represented at the Meeting
Invalid:	0 votes	0 % of the votes represented at the Meeting

The resolutions were adopted at the Meeting following the procedure for passing of resolutions set forth in laws and in the Articles of Association of the Company.

Additional information:

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