



**Agenda (including explanatory notes) for the Extraordinary General Meeting of Shareholders of NedSense enterprises n.v. ("NedSense"), to be held on Thursday 25 February 2016, at 11.00 hours (CET) at Hotel Van Der Valk Vianen, Prins Bernhardstraat 75, 4132 XE in Vianen, The Netherlands (the "EGM").**

## **Agenda**

1. Opening
2. Proposal to approve the sale of the Loft business to Ronglian Investments Limited.
3. Proposal to approve amendments to the remuneration policy of the Executive Board
4. Any other business and closure of the meeting

## **Explanatory notes to agenda item 2**

### *The Transaction*

NedSense has reached agreement with Ronglian Investments Limited ("**Ronglian**") on the sale of NedSense's LOFT division (the "**Transaction**"). The purchase price amounts EUR 8.0 million (the "**Purchase Price**") whereby EUR 1.6 million (the ("**Escrow Amount**") will be put in escrow with a third party escrow agent as additional recourse for Ronglian for a period of 12 months after closing of the Transaction. The Transaction is subject to certain conditions, including NedSense shareholder approval, no material adverse effect having occurred, no frustrating actions and no breach of warranties by NedSense.

The proceeds of the Transaction will be used to repay all outstanding debt of NedSense, and in addition the Executive Board and the Supervisory Board of NedSense intend to declare an interim dividend of EUR 0.03 per NedSense ordinary share following closing of the Transaction. Closing of the Transaction is envisaged to take place on 29 February 2016.

The sale and purchase agreement between NedSense and Ronglian (the "**SPA**") contains a working capital purchase price adjustment mechanism. Pursuant to this mechanism the Purchase Price will be adjusted if the actual working capital of LOFT on the closing date of the Transaction is higher or lower than EUR 500,000 negative. If the actual working capital is less than EUR 500,000 negative, the Purchase Price will be lowered by such excess on a euro-for-euro basis, whereby the Escrow Amount serves as sole recourse for such adjustment. If the actual working capital is higher than EUR 500,000 negative, the Purchase Price will be increased by such excess on a euro-for-euro basis. Current expectation of NedSense management is that the LOFT working capital on the closing date of the Transaction will be approximately EUR 0. If this will indeed be the actual working capital of LOFT on the closing date of the Transaction, the Purchase Price will consequently be increased with EUR 500,000.

To cover working capital requirements in the coming period, an affiliate of Ronglian has lent NedSense EUR 1,000,000 (the "**Interim Loan**"). The Interim Loan bears an interest of 4% per annum and is repayable by NedSense between 29 February 2016 (the envisaged closing date of the Transaction) and 13 July 2016. The cost related to the Transaction and anticipated total expenses for NedSense in 2016 are currently estimated by NedSense management to be approximately EUR 1,500,000. The current cash balance of NedSense (after receipt of the Interim Loan) is approximately EUR 1,000,000.

It is envisaged that upon closing of the Transaction Messrs Aarts (CEO) and Pullens (COO) will resign as members of the Executive Board of NedSense and will transfer to the LOFT division.

Following closing of the Transaction NedSense will no longer have any operational activities. The Executive Board and the Supervisory Board of NedSense are currently exploring alternatives for NedSense, which may include a sale or liquidation of NedSense, or a public offer for all outstanding shares in the capital of NedSense.

The Executive Board and the Supervisory Board of NedSense believe the Transaction to be in the best interest of NedSense and its stakeholders, including its shareholders, and fully and unanimously support and recommend NedSense's shareholders to approve the Transaction.

NedSense's major shareholders including Project Holland Fonds, Todlin, Bertoia and Nantahala Capital Partners, together representing approximately 70% of NedSense's issued share capital, have already irrevocably agreed to support the Transaction and to vote in favour thereof.

#### *Proposal*

It is proposed to the shareholders to approve the Transaction to comply with the provisions of article 2:107a of the Dutch Civil Code and article 15 (7) of the articles of association of NedSense.

### **Explanatory notes to agenda item 3**

#### *Revised Remuneration Policy*

Pursuant to the current remuneration policy of the NedSense Executive Board no cash bonuses will be awarded to members of the Executive Board in respect of any financial year in which NedSense had a negative cash flow. Given the envisaged Transaction, the fact that both members of the Executive Board will upon completion of the Transaction resign from the Executive Board and the fact that following completion of the Transaction NedSense will no longer have any operational activities, the Supervisory Board intends to amend the current remuneration policy for members of the Executive Board as follows. Conditional on completion of the Transaction and linked to the net cash proceeds of the Transaction received by NedSense, the Supervisory Board proposes to grant a cash bonus to Messrs Aarts and Pullens.

The maximum bonus amounts payable will be EUR 205,000 for Mr Aarts and EUR 150,880 for Mr Pullens (in accordance with the bonus caps of the current remuneration policy). The final bonus amount is completely dependent upon the result of the Transaction.

Furthermore and in accordance with the previously approved remuneration policy of members of the Executive Board, upon their resignation as a member of the Executive Board of NedSense, conditional upon completion of the Transaction, the EUR 250,000 (two-hundred and fifty thousand euros) loan granted by NedSense to each of Messrs Aarts and Pullens shall be written off entirely (both principal amount and any outstanding but unpaid interest) as previously approved by the general meeting of shareholders of NedSense. Any taxes and/or social premiums payable by NedSense in connection therewith shall be for the account of NedSense.

#### *Proposal*

It is proposed to the shareholders to approve the amendments to the remuneration policy of the Executive Board as described above.

Vianen, The Netherlands, 14 January 2016  
The Board of Directors

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