



**NOTICE OF ANNUAL GENERAL MEETING IN  
THIN FILM ELECTRONICS ASA**

Notice is hereby given that the Annual General Meeting of Thin Film Electronics ASA ("the Company") will take place:

**Friday 4 May 2018 at 09:00 a.m. (CET)  
at Hotel Continental, Stortingsgaten 24/26, 0117, Oslo**

At the date of the instant notice, the Company's registered share capital amounts to NOK 128,905,877.87 divided into 1,171,871,617 shares with par value per share of NOK 0.11. Each share gives the right to one vote at the Annual General Meeting. At the date of the instant notice the Company does not hold own shares. The Company's Articles of Association, last amended on 13 November 2017, are available at [www.thinfilm.no](http://www.thinfilm.no).

If you wish to attend the Annual General Meeting in person or by proxy, we ask that you submit the enclosed Notice of Attendance/Power of Attorney form to: DNB Bank ASA, Verdivapirtjenester, no later than 2 May 2018 at 12:00 (CET). The Notice of Attendance/Power of Attorney form provides more information about attendance, voting etc. Each shareholder may be accompanied by one adviser and the adviser may speak on behalf of the shareholder at the Annual General Meeting. Furthermore, shareholders have the right to request information from the board members and the managing director in accordance with Section 5-15 of the Norwegian Public Limited Companies Act ("PLCA").

The instant notice with attachments and other documents related to the Annual General Meeting are available at [www.thinfilm.no](http://www.thinfilm.no) or can be requested from the Company at no charge from [info@thinfilm.no](mailto:info@thinfilm.no) or its office.

The Annual General Meeting will consider and resolve the following matters. For the avoidance of doubt, it is noted that any shareholder has the right to put forward alternative resolutions on the various agenda items.

**1. Registration of shareholders present, in person or by proxy/ Election of a person to chair the Meeting and a person to sign the minutes**

The Annual General Meeting will be opened by the Chairman of the Board of Directors (the "Board") of the Company, Mr. Morten Opstad. The Board proposes that Mr. Morten Opstad shall be elected to chair the meeting.

**2. Approval of the notice and the agenda of the Meeting**

**3. Approval of the Annual Financial Statements and Annual Report for 2017**

The annual financial statements and the annual report for 2017 are available at [www.thinfilm.no](http://www.thinfilm.no) or can be requested from the Company at no charge from [info@thinfilm.no](mailto:info@thinfilm.no) or its office. The Board proposes to the Annual General Meeting that the 2017 annual financial statements and annual report shall be approved in all respects.

#### **4. Guidelines for remuneration of the management**

The Board's declaration for remuneration of the executive management team is available at the Company's website: [www.thinfilm.no](http://www.thinfilm.no), and will be available at the general meeting.

Pursuant to Section 6-16a of the PLCA, the Board proposes the following resolutions:

##### **a) Advisory resolution of management remuneration policy**

*The Annual General Meeting acknowledges the statement on executive remuneration, cf. Section 6-16a of the PLCA, as presented by the Board to the Annual General Meeting. In case the Board in any new agreement valid in 2019 departs from the guidelines for 2019, the reason shall be stated in the minutes of the relevant Board meeting.*

##### **b) Binding resolution of management remuneration policy**

*The Annual General Meeting refers to its resolution on item 6 on the agenda of the instant meeting. Any other share-based remuneration program must be presented for consideration at a general meeting.*

#### **5. Authorization to the Board to issue new shares**

The Board proposes that the Annual General Meeting authorizes the Board to increase the Company's share capital to raise additional capital for the Company if and to the extent this should be deemed advantageous. This authorization will be a renewal of the equivalent authorization resolved at the 2017 Annual General Meeting.

Generally, as the Company is working to further develop its business operations, it may be necessary that the Board is able to commit transactions on a short notice. The required 21 days' notice for a general meeting may delay this process.

To ensure the necessary flexibility for the Board, it is proposed that the Annual General Meeting authorizes the Board to issue shares and increase the share capital of the Company in connection with private placements and rights issues. The authorization shall expire on the date of the 2019 Annual General Meeting, however not later than 30 June 2019. The authorization shall be maximized to a total nominal value of NOK 12,890,587.78, representing 10 per cent of the registered share capital of the Company at the time of this authorization.

By reason of the above, the Board proposes the adoption of the following separate authorizations to the Board to issue shares:

##### **5.1 Board Authorization to issue shares in Private Placements:**

- 1. The Board of Directors of Thin Film Electronics ASA ("the Company") is authorized to carry out one or more share capital increases by issuing a number of shares with a maximum total nominal value of NOK 12,890,587.78 (representing 10 per cent of the registered share capital of the Company at the time of this authorization). Moreover, under no circumstances shall the number of shares that may be issued by the Board collectively under this agenda item 5 exceed 10 per cent of the registered share capital at the time of this authorization. Any and all previous authorizations given to the Board to issue shares shall be, and hereby are, withdrawn with effect from the date this authorization is registered with the Company Registry (not including, for the avoidance of doubt, the other authorizations contained in this agenda item 5 and in agenda item 7).*

2. *The authorization may be used in connection with private placements and share issues to suitable investors (which may include existing and/or new shareholders, hereunder employees in the Company and/or its subsidiaries) to raise additional capital for the Company. The authorization does not comprise share capital increases in connection with mergers, cf. Section 13-5 of the PLCA.*
3. *In the event the Company's share capital or the nominal value of the shares is changed by way of a capitalization issue, stock split, stock consolidation etc., the maximum nominal value of the shares that may be issued under this authorization shall be adjusted accordingly.*
4. *Existing shareholders waive their preemptive right to subscribe for shares according to the PLCA in event of a share capital extension as authorized herein.*
5. *The Board is authorized to decide upon the subscription terms, including issue price, date of payment and the right to sell shares to others.*
6. *Payment of share capital in connection with a share capital increase authorized herein may be made by way of non-cash contributions and other special subscription terms, as same are provided in Section 10-2 of the PLCA.*
7. *The General Meeting authorizes the Board to amend the Company's Articles of Association concerning the size of the share capital when the instant authorization is used.*
8. *The authorization shall be valid until the 2019 Annual General Meeting, but not beyond 30 June 2019.*
9. *The new shares, which may be subscribed for according to this authorization, shall have right to dividends declared subsequent to the subscriber having paid the subscription price and the associated share capital increase having been registered in the Company Registry. In other respects, the shares shall have shareholder rights from the time of issuance, unless the Board otherwise determines.*
10. *Shares that are not fully paid cannot be transferred or sold.*

## 5.2 Board Authorization to issue shares in Rights Issues:

1. *The Board of Directors of Thin Film Electronics ASA ("the Company") is authorized to carry out one or more share capital increases by issuing a number of shares with a maximum total nominal value of NOK 12,890,587.78 (representing 10 per cent of the registered share capital of the Company at the time of this authorization). Moreover, under no circumstances shall the number of shares that may be issued by the Board collectively under this agenda item 5 exceed 10 per cent of the registered share capital at the time of this authorization. Any and all previous authorizations given to the Board to issue shares shall be, and hereby are, withdrawn with effect from the date this authorization is registered with the Company Registry (not including, for the avoidance of doubt, the other authorizations contained in this agenda item 5 and in agenda item 7).*
2. *The authorization may be used in connection with rights issues to existing shareholders to raise additional capital for the Company. The authorization does not comprise share capital increases in connection with mergers, cf. Section 13-5 of the PLCA.*

3. *In the event the Company's share capital or the nominal value of the shares is changed by way of a capitalization issue, stock split, stock consolidation etc., the maximum nominal value of the shares that may be issued under this authorization shall be adjusted accordingly.*
4. *The Board is authorized to decide upon the subscription terms, including issue price, date of payment and the right to sell shares to others.*
5. *Payment of share capital in connection with a share capital increase authorized herein may be made by way of non-cash contributions and other special subscription terms, as same are provided in Section 10-2 of the PLCA.*
6. *The General Meeting authorizes the Board to amend the Company's Articles of Association concerning the size of the share capital when the instant authorization is used.*
7. *The authorization shall be valid until the 2019 Annual General Meeting, but not beyond 30 June 2019.*
8. *The new shares, which may be subscribed for according to this authorization, shall have right to dividends declared subsequent to the subscriber having paid the subscription price and the associated share capital increase having been registered in the Company Registry. In other respects, the shares shall have shareholder rights from the time of issuance, unless the Board otherwise determines.*
9. *Shares that are not fully paid cannot be transferred or sold.*

## **6. 2018 Subscription Rights Incentive Plan**

The Board proposes an incentive program for employees and individual consultants performing similar work of/for the Company ("Staff") for the next one-year period until the 2019 Annual General Meeting. Consistent with past practice, the former plan is closed each time a new plan is implemented, meaning that no further subscription rights will be granted under these former plans.

The Board proposes that the number of independent subscription rights that may be granted and outstanding under the Company's subscription right programs shall remain limited to 10 per cent of the registered number of shares in the Company at any given time.

The Board proposes that the Annual General Meeting passes a resolution for the issuance of subscription rights to Staff in the Company and/or its subsidiaries or affiliates.

The Board believes the Company has possibilities for growth and the Board wishes to retain the services of Staff by allowing them to share the rewards resulting from their efforts.

Proposal for resolution by the Annual General Meeting:

*The Annual General Meeting resolves a new 2018 Subscription Rights Incentive Plan, whereby the Company may issue independent subscription rights to employees of Thin Film Electronics ASA and its subsidiaries and affiliated companies (hereinafter collectively referred to as "the Company") and to individual consultants performing similar work.*

*For the avoidance of doubt, the foregoing includes grants of subscription rights to (i) employees of and individual consultants to Thin Film Electronics, Inc., a wholly owned*

*subsidiary of the Company duly organized and existing under the laws of the State of California and/or (ii) other employees or individual consultants within the Thin Film Electronics Group of Companies who are US citizens, US residents within the meaning of Section 7701 of the U.S. Internal Revenue Code of 1986, as amended, and US non-residents who accrue benefits under the 2018 Subscription Rights Incentive Plan during a period of U.S. employment.*

*Each subscription right shall entitle the holder to demand the issuance of one share in the Company; provided, however, that in the event the Company's share capital or number of shares is changed by way of a capitalization issue, stock split, stock consolidation etc., the maximum number of subscription rights (see next paragraph) that may be issued under the subscription rights program, and the consideration for the shares to be issued in the Company upon exercise of the subscription rights, shall be adjusted accordingly and rounded downwards to the nearest whole number.*

*The number of subscription rights which may be issued shall be a minimum number of one (1) subscription right and a maximum number of 117,187,161 subscription rights; provided, however, that the number of issued and outstanding subscription rights under all of the Company's subscription right programs shall not exceed 10 per cent of the registered number of shares in the Company at any given time.*

*The subscription rights must be subscribed for at the latest on the day immediately preceding the date of the 2019 Annual General Meeting.*

*The subscription rights will be granted for no consideration.*

*The subscription rights shall be non-assignable otherwise than by will or by the laws of descent and distribution.*

*The vesting schedule for the subscription rights shall be 25 per cent each year beginning one year from the Vesting Commencement date. The Vesting Commencement date shall be the last of the following dates preceding the date of grant of subscription rights; (i) 15 January, (ii) 15 April, (iii) 15 July or (iv) 15 October. The Board may decide to establish an accelerated vesting schedule, if deemed appropriate.*

*Except as otherwise expressly determined by the Board, in the event of a Change of Control, subscription rights shall accelerate and immediately become one hundred per cent vested as of the date of the consummation of the Change of Control. For the purpose of this paragraph, Change of Control shall mean the occurrence of any of the following events: (i) Any acquisition, sale or disposition of stock or assets of the Company or merger or other form of consolidation resulting in a change of ownership of all or substantially all of the Company's assets, (ii) any legal person becoming the beneficial owner, directly or indirectly, of securities of the Company representing 50 per cent or more of the combined voting power of the Company's then-outstanding securities; or (iii) the complete liquidation of the Company (pursuant to a plan approved by the shareholders of the Company).*

*The Board shall establish the further rules and procedures in regard to vesting and exercise in cases of resignation or other termination of employment or consulting contract, including subsequent time frames to allow completion of exercise after termination.*

*In connection with the issuance of subscription rights, and the exercise of any of the subscription rights and the resulting share capital increase in the Company, the existing shareholders waive their preferential right to subscribe for subscription rights or shares, as the case may be, according to the PLCA.*

*As consideration for the shares to be issued in the Company upon exercise of the subscription rights hereunder, the holders of the subscription rights shall pay to the Company a sum per share, which at least shall equal the greater of (i); the average closing price of the Company's share, as reported by Oslo Børs, over ten trading days immediately preceding the date of grant of the subscription rights, and (ii) the closing price of the Company's share, as reported by Oslo Børs, on the trading day immediately preceding the date of grant of the subscription rights. Notwithstanding the foregoing, if the subscription right holder is an owner of 10% or more of the Company's shares, in the case of a grant which is an Incentive Stock Option under the U.S. Internal Revenue Code, the exercise price shall be not less than 110% of the greater of (i) the average closing price of the Company's share, as reported by Oslo Børs, over ten trading days immediately preceding the date of grant of the subscription rights and (ii) the closing price of the Company's share, as reported by Oslo Børs, on the trading day immediately preceding the date of grant of the subscription rights.*

*No subscription rights may be exercised beyond the 5-year anniversary of the date of this resolution. In connection with the issuance of subscription rights, the Company may provide terms and conditions for exercise, as well as imposing restrictions on the sale and transfer of shares issued upon exercise of the subscription rights.*

*Any shares that are issued by the Company under the subscription rights program shall carry right to dividends declared subsequent to the subscriber having paid the subscription price and the associated share capital increase having been registered in the Company Registry. All other shareholder rights associated with these shares, hereunder those referenced in Section 11-12 (2) no.9 of the PLCA, shall attach from the date of issuance of the said shares.*

## **7. Remuneration to the members of the Board**

The proposal from the Nomination Committee on this subject will be presented before or at the Annual General Meeting.

## **8. Board election**

The Nomination Committee's recommendation on this subject will be presented before or at the Annual General Meeting.

Two out of five Board members stand for election: Preeti Mardia and Rolf Åberg. Morten Opstad (Chairman), Tor Mesøy and Laura Oliphant were elected for a two-year term at the 2017 Annual General Meeting, and do not stand for election.

The Nomination Committee has been informed that Mr. Åberg does not wish to be re-elected as member of the Board for a new term.

The Board wishes to take this opportunity to thank Mr. Åberg for his valuable contribution to the Company during his period of service.

The Board's current members are presented in the 2017 annual report.

## **9. Remuneration to the Nomination Committee**

The proposal from the Nomination Committee on this subject will be presented before or at the Annual General Meeting.

## **10. Nomination Committee Election**

The proposal from the Nomination Committee on this subject will be presented before or at the Annual General Meeting.

## **11. Authorization to the Board to acquire own shares**

Generally, the Board believes that acquisition of own shares may be in the interest of the Company, among other reasons, for the purpose of increasing the return for the Company's shareholders. For example, acquisition of own shares may be desirable in a situation where the Company's equity and liquidity position is good, while there at the same time is limited access to attractive investment possibilities. In general, acquisition of own shares is considered as a positive sign by the stock market as it demonstrates a focus and emphasis on shareholder values. This authorization will be a renewal of the equivalent authorization resolved at the 2017 Annual General Meeting.

By reason of the above and to comply with the requirements in Section 9-4 of the PLCA, the Board proposes that the Annual General Meeting passes the following resolution:

### "Board Authorization to acquire own shares:

- 1. In accordance with Sections 9-4 and 9-5 of the PLCA, the Board of Directors of Thin Film Electronics ASA (the "Company") is authorized to acquire the Company's own shares, through ownership or a charge, for a total nominal value of up to NOK 12,890,587.78 (representing 10 per cent of the registered share capital of the Company at the time of this authorization).*
- 2. Under this authorization, the Board of Directors shall pay at a minimum NOK 0.11 per share and at a maximum the closing price per share, as reported by Oslo Børs, as of the close of trading the day the offer of acquisition is made, provided, however, that the amount shall not exceed the amount of NOK 1,000 per share.*
- 3. The Board is authorized to decide upon the manner and terms of the acquisition, disposition, transfer and sale of own shares; while taking into account the statutory requirement of equal treatment of shareholders.*
- 4. In the event the Company's share capital is changed by way of a capitalization issue, stock split, stock consolidation etc., the maximum nominal value of the shares that may be acquired, the minimum price per share, and maximum price per share shall be adjusted accordingly.*
- 5. The authorization shall be valid until the 2019 Annual General Meeting, but no later than 30 June 2019".*

**12. Approval of the remuneration of the auditor**

The Board proposes that the Annual General Meeting approves the payment of the auditor's fees for 2017 according to invoice.

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At 09:30 hrs. or after the Annual General Meeting has been adjourned, the CEO, Davor P. Sutija, will give a presentation of Thin Film Electronics ASA. The presentation will be open to the press and the general public.

12 April 2018  
Thin Film Electronics ASA

Morten Opstad  
*Chairman of the Board of Directors*





**Ref no:**

**PIN code:**

**Notice of Annual General Meeting**

An Annual General Meeting of Thin Film Electronics ASA will be held on May 4, 2018 at 09:00 a.m. (CET) at Hotel Continental, Stortingsgaten 24/26, Oslo, Norway

**If the above-mentioned shareholder is an enterprise, it will be represented by:**

\_\_\_\_\_  
Name of enterprise's representative  
(To grant a proxy, use the proxy form below)

**Notice of attendance**

The undersigned will attend the Annual General Meeting on May 4, 2018 and vote for:

A total of \_\_\_\_\_  
Own shares  
Other shares in accordance with enclosed Power of Attorney  
Shares

This notice of attendance must be received by DNB Bank ASA no later than 12 noon (CET) on May 2, 2018.

**Notice of attendance may be sent electronically through the Company's website [www.thinfilm.no](http://www.thinfilm.no) menu item INVESTORS or through VPS Investor Services.** To access the electronic system for notification of attendance through the Company's website, the above-mentioned reference number and PIN code must be stated. It may also be sent by e-mail: [genf@dnb.no](mailto:genf@dnb.no). Regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

\_\_\_\_\_  
Place  
\_\_\_\_\_  
Date  
\_\_\_\_\_  
Shareholder's signature  
(If attending personally. To grant a proxy, use the form below)

**Proxy (without voting instructions)**

**Ref no:**

**PIN code:**

This proxy form is to be used for a proxy without voting instructions. To grant a proxy with voting instructions, please go to page 2.

If you are unable to attend the Annual General Meeting in person, this proxy may be used by a person authorised by you, or you may send the proxy without naming the proxy holder, in such case, the proxy will be deemed to be given to the Chairman of the Board of Directors or a person authorised by him.

The proxy form should be received by DNB Bank ASA, Registrar's Department no later than 12 noon (CET) on May 2, 2018. **The proxy may be sent electronically through the Company's website [www.thinfilm.no](http://www.thinfilm.no) menu item INVESTORS or through VPS Investor Services.** It may also be sent by e-mail: [genf@dnb.no](mailto:genf@dnb.no). Regular mail to DNB Bank ASA, Registrar's Department, P.O.Box 1600 Sentrum, 0021 Oslo, Norway.

The undersigned \_\_\_\_\_  
hereby grants (tick one of the two):

the Chairman of the Board of Directors (or a person authorised by him), or

\_\_\_\_\_  
(Name of proxy holder in capital letters)

a proxy to attend and vote for my/our shares at the Annual General Meeting of Thin Film Electronics ASA on May 4, 2018.

\_\_\_\_\_  
Place  
\_\_\_\_\_  
Date  
\_\_\_\_\_  
Shareholder's signature  
(Signature only when granting a proxy)

With regard to rights of attendance and voting, reference is made to the Norwegian Public Limited Companies Act, in particular Chapter 5. If the shareholder is a company, the company's certificate of registration must be attached to the proxy.

**Proxy (with voting instructions)**

**Ref no:**

**PIN code:**

This proxy form is to be used for a proxy with voting instructions. If you are unable to attend the Annual General Meeting in person, you may use this proxy form to give voting instructions. You may grant a proxy with voting instructions to a person authorised by you, or you may send the proxy without naming the proxy holder, in which case the proxy will be deemed to have been given to the Chairman of the Board of Directors or a person authorised by him.

The proxy form must be received by DNB Bank ASA, Registrar’s Department, no later than 12 noon (CET) on May 2, 2018. It may be **sent by e-mail: [genf@dnb.no](mailto:genf@dnb.no)** /regular mail to DNB Bank ASA, Registrar’s Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway.

The undersigned: \_\_\_\_\_  
hereby grants (tick one of the two):

- the Chairman of the Board of Directors (or a person authorised by him), or
- \_\_\_\_\_  
Name of proxy holder (in capital letters)

a proxy to attend and vote for my/our shares at the Annual General Meeting of Thin Film Electronics ASA on May 4, 2018.

The votes shall be exercised in accordance with the instructions below. Please note that if any items below are not voted on (not ticked off); this will be deemed to be an instruction to vote “for” the proposals in the notice. However, if any motions are made from the floor in addition to or in replacement of the proposals in the notice, the proxy holder may vote or abstain from voting at his or her discretion. In such case, the proxy holder will vote on the basis of his or her reasonable understanding of the motion. The same applies if there is any doubt as to how the instructions should be understood. Where no such reasonable interpretation is possible, the proxy holder may abstain from voting.

Agenda Annual General Meeting 2018	For	Against	Abstention
1. Election of chairman of the meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Approval of notice and agenda	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of the annual accounts and directors’ report for 2017	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Advisory resolution of management remuneration policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Binding resolution of management remuneration policy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.1 Board Authorization to issue shares in Private Placements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5.2 Board Authorization to issue shares in Right Issues	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. 2018 Subscription Rights Incentive Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Remuneration to the members of the Board in accordance with proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Board Election in accordance with proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Remuneration to the Nomination Committee in accordance with proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Nomination Committee Election in accordance with proposal	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Board Authorization to acquire own shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Approval of the remuneration of the auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\_\_\_\_\_  
Place

\_\_\_\_\_  
Date

\_\_\_\_\_  
Shareholder’s signature  
(Only for granting proxy with voting instructions)

With regard to rights of attendance and voting, reference is made to the Norwegian Public Liability Companies Act, in particular Chapter 5. If the shareholder is a company, the company’s certificate of registration must be attached to the proxy.