



Notice of Loihde Plc's Annual General Meeting

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Loihde Plc Company Announcement 8 April 2022 at 8:30 a.m. (EEST)

Notice of Loihde Plc's Annual General Meeting

Notice is given to the shareholders of Loihde Plc of the Annual General Meeting to be held on Thursday, 5 May 2022 at 2:00 p.m. (EEST) at the auditorium Levón of the University of Vaasa, Wolffintie 34, Vaasa. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 1:00 p.m.

Due to the COVID-19 pandemic, Loihde has taken precautions in order to be able to hold the General Meeting, while considering the health and safety of the shareholders, personnel and other stakeholders as well as the instructions from the authorities. The aim is to keep the General Meeting as short as possible with a limited number of participants.

Shareholders are primarily recommended to follow the General Meeting online via video link and to vote in advance, or to participate in the General Meeting by way of proxy representation. Shareholders also have the opportunity to ask questions in advance on topics included in the meeting agenda. There are more detailed instructions concerning this at the end of this notice.

A. MATTERS ON THE AGENDA OF THE ANNUAL GENERAL MEETING

At the General Meeting, the following matters will be considered:

- 1. Opening of the meeting**
- 2. Calling the meeting to order**
- 3. Election of persons to scrutinize the minutes and to supervise the counting of votes**
- 4. Recording the legality of the meeting**
- 5. Recording the attendance at the meeting and adoption of the list of votes**
- 6. Presentation of the Financial Statements, the Consolidated Financial Statements, the Report of the Board of Directors and the Auditor's Report for the year 2021**

Review by the CEO

- 7. Adoption of the Financial Statements and Consolidated Financial Statements**
- 8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

The parent company's distributable funds amount to EUR 112,929,594.56 and the parent company's profit for the financial period is EUR 5,791,493.15. The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.14 per share be paid from distributable funds based on the company's operating profit. In addition to this, the Board of Directors proposes that an additional dividend of EUR 0.41 per share be paid based on capital gains from the divestment of Hibox. Based on the situation on the date of the notice, the dividend and additional dividend would correspond to EUR 3,261,012.70 in total. No dividend will be paid on the treasury shares held by the company. The dividend shall be paid to shareholders who on the dividend record date 9 May 2022 are registered in the company's shareholders' register held by Euroclear Finland Oy. The dividend shall be paid on 17 May 2022.

- 9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability**
- 10. Presentation of the remuneration policy for governing bodies**

The remuneration policy for governing bodies is available on the company's website at www.loihde.com/agm. The resolution of the General Meeting is advisory in accordance with the Finnish Limited Liability Companies Act.

- 11. Presentation of the remuneration report for governing bodies**

The remuneration report for governing bodies is available on the company's website at www.loihde.com/agm. The resolution of the General Meeting is advisory in accordance with the Finnish Limited Liability Companies Act.

12. Resolution on the remuneration of the members and the Chairperson of the Board of Directors and the reimbursement of their travel expenses

The Shareholders' Nomination Board proposes the following remuneration of the members of the Board of Directors:

- The Chairperson of the Board of Directors shall be paid an annual fee of EUR 39,600 (EUR 36,000 in 2021) and a meeting fee of EUR 700 per meeting.
- Each member of the Board of Directors shall be paid an annual fee of EUR 16,500 (EUR 15,000 in 2021) and a meeting fee of EUR 600 per meeting.
- The meeting fee shall be EUR 700 per meeting for the Chairperson of a committee and EUR 600 per meeting for the members of a committee (no change).

The travel expenses of the members of the Board of Directors shall according to the proposal be reimbursed in accordance with the company's travel rules.

13. Resolution on the number of members of the Board of Directors

The Shareholders' Nomination Board proposes that five members shall be elected to the Board of Directors (six members in 2021).

14. Election of members and the Chairperson of the Board of Directors

The Nomination Board proposes that the following current members of the Board of Directors shall be re-elected: Kaj Hagros, Timo Kotilainen, Elina Piispanen, Matti Piri and Stefan Wikman. Of the current members of the Board of Directors, Jussi Hattula has declared that he is no longer available for re-election by the 2022 Annual General Meeting.

All the proposed members of the Board of Directors are independent of the company and its major shareholders and they have given their consent to the position.

In addition, the Shareholders' Nomination Board proposes to the General Meeting that Timo Kotilainen shall be elected Chairperson of the Board of Directors.

Further information about the persons proposed to become members of the Board of Directors can be found on the company's website www.loihde.com under *For shareholders*.

15. Resolution on the remuneration of the Auditor

The Board of Directors proposes to the Annual General Meeting that the remuneration to the Auditor be paid in accordance with the Auditor's invoice approved by the company.

16. Election of Auditor

The Board of Directors proposes to the Annual General Meeting that KPMG Oy Ab, authorised public accountants firm, be re-elected as the company's auditor for the financial period 2022. KPMG Oy Ab has informed the company that the auditor with principal responsibility would be Mr Esa Kailiala, auditor approved by the Finnish Central Chamber of Commerce.

17. Authorising the Board of Directors to decide on the issuance of shares

The Board of Directors proposes to the Annual General Meeting that the Annual General Meeting authorises the Board of Directors to decide on the issuance of shares in one or more tranches in accordance with following terms:

- The issuance of shares may be carried out by offering new shares or by transferring treasury shares held by the company (share issue).
- The Board of Directors is authorised to decide on issuing a maximum of 1,100,000 shares, which corresponds to 18 per cent of all the shares in Loihde Plc.
- Based on this authorisation, the Board of Directors may also decide on to whom and in which order shares are issued. The authorisation entitles the Board of Directors to issue the shares otherwise than in proportion to the shareholdings of the shareholders (directed share issue).
- The Board of Directors may use this authorisation in financing acquisitions or restructuring, a maximum of 900,000 shares (15% of all the shares in the company), as part of the personnel's incentive schemes, a maximum of 200,000 shares (3% of all the shares in the company), or for other purposes in the way and to the extent decided by the Board of Directors.
- The Board of Directors may decide on all other terms of the issuance of shares.
- The share issue authorisation with regard to shares used for acquisitions and restructuring is valid until the end of the next Annual General Meeting, but until 30 June 2023 at the latest, while the share issue authorisation with regard to shares related to incentive schemes for the company's personnel is valid for four years from the decision of the Annual General Meeting.
- The authorisation does not revoke the previous authorisations granted by the Annual General Meeting to the Board of Directors on 25 June 2020 and 9 May 2021 to the extent that the previous authorisations concern shares issued as part of the personnel incentive schemes. Of the authorisations in question, the first is valid until 25 June 2024 and

based on the authorisation, the Board of Directors may still issue a maximum of 78,997 shares, and the second is valid until 6 May 2025 and based on the authorisation, the Board of Directors may still issue a maximum of 80,000 shares.

18. Changes to the terms of the long-term share-based incentive scheme for the Board of Directors and resolution on the persons entitled to participate in the 2022-2024 vesting period

The Annual General Meeting of Loihde Plc has on 25 June 2020 decided to approve and introduce a long-term share-based incentive scheme for the members of the company's Board of Directors (below "Scheme"). The purpose of the scheme is to align the goals of the shareholders and the Board of Directors in order to increase the value of the company and implement the business strategy in the long term as well as to commit the members of the Board of Directors to the company and offer them a competitive incentive scheme that is based on earning shares in the company and on the value development of those shares.

The Shareholders' Nomination Board proposes that the Annual General Meeting decides to change the terms of the Scheme due to the listing of the company and the changes in the company's corporate governance model and adopts the changed terms of the Scheme as presented in Appendix 1.

The Shareholders' Nomination Board proposes that the Annual General Meeting confirms that the third vesting period according to the terms of the Scheme is 6 May 2022–31 December 2024 and confirms that the following proposed members of the Board of Directors of Loihde Plc shall be entitled to participate in the vesting period: Kaj Hagros, Timo Kotilainen, Elina Piispanen, Matti Piri and Stefan Wikman.

19. Resolution on a directed share issue against payment related to the long-term share-based incentive scheme for the Board of Directors

The Shareholders' Nomination Board proposes to the Annual General Meeting that a directed share issue against payment to the Board of Directors of Loihde Plc shall be decided on based on the long-term share-based incentive scheme.

The proposed terms to be applied to the share issue and the proposed persons to be entitled to participate in the share issue and their maximum subscription rights are shown in Appendix 2 that consists of proposed terms of the share issue and in the separate list of subscription rights that is enclosed with the terms of the share issue.

Since the subscription price of the shares, according to the proposed terms of the share issue, is determined based on the average price of the company's share in April 2022, the final subscription price and the number of shares that each person that is entitled to subscribe for shares is entitled to subscribe for will be confirmed on the day of the General Meeting at the latest and will be announced on the company's website at www.loihde.com/agm and at the General Meeting.

20. Authorising the Board of Directors to decide on donations

The Board of Directors proposes that the General Meeting authorises the Board of Directors to decide on donations of at most EUR 100,000 in total to training and research activities that support the company's business or non-profit or comparable causes, and that the General Meeting authorises the Board of Directors to decide on the receivers, the purpose of use, the timetable and other terms of the donations. The Board of Directors finds the authorisation of donations reasonable considering the company's financial situation and the amount of unrestricted equity.

21. Closing of the meeting

B. DOCUMENTS OF THE GENERAL MEETING

The Financial Statements, the Report of the Board of Directors and the Auditor's Report as well as the remuneration policy and remuneration report and the above-mentioned proposals for the decisions on the matters of the General Meeting are available on the company's website at www.loihde.com/agm. The proposals for decisions and the other above-mentioned documents are also available at the meeting. Copies of these documents and of this notice will be sent to shareholders upon request. The minutes of the meeting will be available on the above-mentioned website as of 19 May 2022 at the latest.

C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE GENERAL MEETING

1. Shareholders registered in the shareholders' register

Each shareholder, who is registered in Loihde Plc's shareholders' register held by Euroclear Finland Oy on the record date of the General Meeting, i.e. on 25 April 2022, has the right to participate in the General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the company.

A shareholder, who is registered in the shareholders' register of the company and who wants to

participate in the General Meeting, shall register for the meeting no later than 28 April 2022 by 4:00 p.m. by giving a prior notice of participation, which shall be received by the company no later than on the above-mentioned time.

Such notice can be given:

1. a) on the company's website www.loihde.com/agm
2. b) by telephone +358 20 770 6881 on weekdays between 9 a.m. and 4 p.m., or
3. c) by regular mail to Euroclear Finland Oy, PL 1110, 00101 Helsinki.

In connection with the registration, a shareholder shall notify his/her name, personal identification number or business ID, address, telephone number and the name of a possible assistant or proxy representative and the personal identification number of a proxy representative. The personal data given to Loihde Plc or to Euroclear Finland Oy is used only in connection with the General Meeting and with the processing of related registrations.

The shareholder, his/her authorised representative or proxy representative shall, where necessary, be able to prove his/her identity and/or right of representation.

2. Holders of nominee-registered shares

A holder of nominee-registered shares has the right to participate in the General Meeting by virtue of such shares, based on which he/she on the record date of the General Meeting, i.e. on 25 April 2022, would be entitled to be registered in the shareholders' register of the company held by Euroclear Finland Oy. The right to participate in the General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Oy at the latest by 2 May 2022 by 10 a.m. As regards nominee-registered shares this constitutes due registration for the General Meeting. Changes in shareholding after the record date do not affect the right to participate in the meeting or the number of voting rights held in the meeting.

A holder of nominee-registered shares is advised to request without delay necessary instructions regarding the registration in the temporary shareholder's register of the company, the issuing of proxy documents and registration for the General Meeting from his/her custodian bank. The account management organisation of the custodian bank has to register a holder of nominee-registered shares, who wants to participate in the General Meeting, into the temporary shareholders' register of the company at the latest by the time stated above.

3. Proxy representative and powers of attorney

A shareholder may participate in the General Meeting and exercise his/her rights at the meeting by way of proxy representation.

Shareholders may appoint a proxy representative indicated by the company as their proxy representative. The proxy representative indicated by the company is employed by Castrén & Snellman Attorneys Ltd. The form for power of attorney and voting instructions is available on Loihde's website at www.loihde.com/agm.

Shareholders may also at will appoint a proxy representative other than the above-mentioned. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the General Meeting. When a shareholder participates in the General Meeting by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the General Meeting.

Possible proxy documents should be delivered by email to osakeasiat@loihde.com or by regular mail to Euroclear Finland Oy, PL 1110, 00101 Helsinki. The proxy document shall be received by the company no later than 28 April by 16.00. A proxy document for a proxy representative other than the one indicated by the company may also be delivered in the online service used for giving notice of participation in the meeting.

A shareholder who is a legal person can also use the electronic Suomi.fi authorisation service instead of the traditional proxy document. In this case, the entity authorises a proxy that they nominate in the Suomi.fi authorisation service at the website www.suomi.fi/e-authorizations using the mandate theme "Representation at the General Meeting". In connection with Euroclear Finland Oy's General Meeting service, the person so authorised must identify himself or herself with strong electronic identification in connection with the registration, after which the electronic authorisation will be checked automatically. Strong electronic identification works with bank codes or the Mobile ID. More information is available on the website suomi.fi/e-authorizations.

4. Advance voting

A shareholder, who has a Finnish book-entry account, may vote in advance on certain items of the agenda of the General Meeting through the company's website during the time period 8 April at 10 a.m. – 28 April 2022 at 16 p.m.

In order to be able to vote in advance, the shareholder shall first give notice of participation in the General Meeting. Unless a shareholder voting in advance will be present at the General Meeting in person or by way of proxy representation, he/she may not be able to use his/her right according to the Limited Liability Companies Act to request information or a vote and if decision proposals have changed after the beginning of the advance voting period, his/her possibility to vote on an such item may be restricted.

A proxy representative appointed by the shareholder cannot vote in advance on behalf of the shareholder.

The conditions and instructions relating to the electronic advance voting can be found on the company's website www.loihde.com/agm

5. Asking questions in advance

Shareholders may ask questions on topics included in the meeting agenda. The questions should be sent by email to viestinta@loihde.com and they should be received by the company by 28 April 2022 at 4:00 p.m. at the latest. The company strives to, if possible, answer the questions at the meeting.

The advance questions are not questions pursuant to chapter 5, section 25 of the Limited Liability Companies Act. Questions asked by virtue of the right to request information based on the law shall be asked at the General Meeting.

6. Following the meeting online via video link

Shareholders have the opportunity to follow the General Meeting online via video link. Following the General Meeting by video link does not as such mean that the shareholder participates in the General Meeting and it is not possible to address the meeting or vote via video link.

In order to be able to follow the meeting via video link, the shareholder shall register to follow the video stream on the company's website at www.loihde.com/agm. Further information and instructions on following the meeting via video link are available on the company's website at the above-mentioned address.

7. Other instructions and information

Pursuant to chapter 5, section 25 of the Limited Liability Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice of the General Meeting 8 April 2022, the total number of shares in Loihde Plc and votes represented by such shares is 6,032,134 shares and votes. The Loihde Group holds 103,420 treasury shares without voting rights at the General Meeting.

8.4.2022

LOIHDE PLC

The Board of Directors

APPENDIX

1. Terms of the long-term share-based incentive scheme for the Board of Directors (in Finnish)
2. Terms of the directed share issue against payment related to the long-term share-based incentive scheme for the Board of Directors and division of shares between subscribers (in Finnish)

Attachments

- [Download announcement as PDF.pdf](#)
- [Loihde Oyj_Hallituksen palkkiojärjestelmän ehdot_2022_nimitystmk ehdotus.pdf](#)
- [Loihde Oyj - Hallituksen palkkiojärjestelmä Osakeantiehdot_2022_nimitystmk ehdotus.pdf](#)