



Notice of Loihde Plc's Annual General Meeting

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Loihde Plc Company Announcement 25 March 2024 at 2:00 p.m. EET

Notice of Loihde Plc's Annual General Meeting

Notice is given to the shareholders of Loihde Plc of the Annual General Meeting (below AGM) to be held on Tuesday, 7 May 2024 at 2:00 p.m. (EEST) at Åbo Akademi, Academill, Rantakatu 2, 65100 Vaasa, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at the meeting venue at 1:00 p.m.

Shareholders can also exercise their voting rights by voting in advance. Shareholders have the opportunity to follow a webcast of the AGM as well. Instructions on how to vote in advance and how to follow the AGM webcast are available in section C. of this notice and on the company's website at www.loihde.com/agm. The webcast is estimated to start at 2:00 p.m. on the date of the meeting, 7 May 2024. It is not possible to pose questions, make proposals or vote via webcast. Following the webcast is not considered as participating in the AGM, nor is it considered as exercising one's rights as a shareholder at the AGM.

A. MATTERS ON THE AGENDA OF THE GENERAL MEETING

At the AGM, the following matters will be considered:

- 1. Opening of the meeting**
- 2. Calling the meeting to order**
- 3. Election of persons to scrutinise the minutes and to supervise the counting of votes**
- 4. Recording the legality of the meeting**
- 5. Recording the attendance at the meeting and adopting 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 2023**

Review by the CEO

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

The Board of Directors proposes to the AGM that a dividend of EUR 1.00 per share be paid from the parent company's distributable funds (EUR 104,893,268.11), of which the parent company's profit for the period is EUR 4,381,560.72. Based on the situation on the date of the notice, the dividend would correspond to EUR 5,708,351.00 in total. No material changes have taken place in the company's financial position after the end of the financial year. No dividend is paid on treasury shares. The dividend is paid to shareholders who on the dividend record date 10 May 2024 are registered in the company's shareholder register held by Euroclear Finland Oy. The Board of Directors proposes that the dividend be paid on 17 May 2024.

- 9. Resolution on the discharge from liability of the members of the Board of Directors and the CEO**
- 10. Non-binding discussion 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 AGM is advisory under the Finnish Limited Liability Companies Act.

- 11. Resolution on the remuneration of the members and the Chair of the Board of Directors and the reimbursement of their travel expenses**

The Shareholders' Nomination Board proposes the following annual fees for the members of the Board of Directors and its committees:

- Chair of the Board of Directors: EUR 55,000 per year
- Vice-Chair of the Board: EUR 40,000 per year
- Member of the Board: EUR 27,400 per year
- Chair of a committee: EUR 7,000 per year
- Member of a committee: EUR 3,500 per year

The Nomination Board proposes to abolish the payment of separate meeting fees and the share-based incentive scheme.

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.

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

The Shareholders' Nomination Board proposes that six members shall be elected to the Board of Directors (seven members in 2023).

13. Election of the members and the Chair of the Board of Directors

The Shareholders' Nomination Board proposes that the following current members of the Board of Directors shall be re-elected: Juha Murtopuro, Anni Ronkainen and Matti Vikkula, and that Marko Kauppi, Jari Niska and Christian Wetterstrand shall be elected as new members.

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 AGM that Marko Kauppi shall be elected Chair and Jari Niska Vice-Chair of the Board.

Further information about the persons proposed to become members of the Board of Directors can be found on the company's website at www.loihde.com/agm.

14. Resolution on the remuneration of the auditor

In accordance with the recommendation of the Audit Committee, the Board of Directors proposes to the AGM that the remuneration to the auditor be paid in accordance with the auditor's reasonable invoice approved by the company.

15. Election of auditor

In accordance with the recommendation of the Audit Committee, the Board of Directors proposes to the AGM that the audit firm Ernst & Young Oy shall be elected as the company's auditor for the term that ends with the conclusion of the 2025 AGM. Ernst & Young has informed the company that the auditor with principal responsibility would be Maria Onnisekka, auditor approved by the Finnish Central Chamber of Commerce.

16. Authorising the Board of Directors to decide on the acquisition of own shares

The Board of Directors proposes that the AGM decides to authorise the Board to decide on a share buyback programme where at most 350,000 of the company's shares will be acquired, in one or more instalments, using the company's unrestricted equity. The maximum number of shares would correspond to approximately 6.1% of all shares in the company. The authorisation entitles the Board of Directors to decide on the acquisition of shares also otherwise than in proportion to the shareholdings of the shareholders (directed acquisition). The authorisation covers the acquisition of shares either on the Nasdaq First North Growth Market Helsinki in accordance with its rules and guidelines, in which case the purchase price will be determined by the share price at the time of acquisition, or by means of a purchase offer to the shareholders, in which case the purchase price must be the same for all shareholders.

The company's own shares will be purchased to be used for conducting acquisitions or other arrangements related to the company's business, to improve the company's financing structure, as part of the implementation of the company's incentive schemes or to be transferred or cancelled. The authorisation includes the right for the Board of Directors to decide on all other terms and conditions pertaining to the acquisition of the company's own shares. According to the proposal, the authorisation is valid until the end of the next AGM, but until 30 June 2025 at the latest, and it revokes the authorisation granted by the AGM on 4 May 2023.

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

The Board of Directors proposes that the AGM authorises the Board to decide on the issuance of shares in one or more tranches in accordance with the following terms and conditions:

- The authorisation concerns issuing new shares as well as transferring treasury shares held by the company (share issue).
- The Board of Directors is authorised to decide on the issuance of a maximum of 583,000 shares, which corresponds to approximately 10.1% of all shares in the company.
- The Board of Directors is authorised to decide on to whom and in which order shares are issued. The Board of Directors may decide to issue shares otherwise than in proportion to the shareholdings of the shareholders (directed share issue).
- Based on the authorisation, the Board of Directors may use the shares in financing acquisitions or restructuring, or for other purposes in the way and to the extent decided by the Board of Directors, a maximum of 483,000 shares (8.4% of all the shares in the company), and as part of the personnel's incentive schemes, a maximum of 100,000 shares (1.7% of all the shares in the company).
- The authorisation entitles the Board of Directors to decide on all other terms of the share issue.
- The authorisation of the Board with regard to shares used for acquisitions and restructuring is valid until the end of the next AGM, but until 30 June 2025 at the latest, while the authorisation with regard to shares related to incentive schemes for the company's personnel is valid for four years from the decision of the AGM.
- The authorisation does not revoke the previous authorisations granted by the AGM to the Board of Directors on 6 May 2021, 5 May 2022 and 4 May 2023 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 6 May 2025 and based on the authorisation the Board may still issue a maximum of 80,000 shares, the second is valid until 5 May 2026 and based on the authorisation the Board may still issue a maximum of 148,792 shares, and the third is valid until 4 May 2027 and based on the authorisation the Board may still issue a maximum of 100,000 shares. The authorisation revokes the share issue authorisation granted by the AGM on 25 June 2020 to the Board of Directors to the extent that no share issue decisions have been made within the framework of the authorisation.

18. Resolution on the remuneration for the 2021-2023 vesting period of the long-term share-based incentive scheme for the Board of Directors

The 2020 AGM 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 AGM decided that the second vesting period of the Scheme would be 7 May 2021-31 December 2023.

In accordance with the terms of the Scheme, the AGM may decide that after each vesting period has ended a person is entitled to receive one commitment share free of charge for each four shares that he/she has subscribed for in the share issue in 2021 and still hold at the end of the vesting period, from which the potential cash component of the bonus is deducted.

The Shareholders' Nomination Board proposes that the AGM decides on a directed share issue without payment in order to implement the payment of commitment shares for the second vesting period of the Scheme, 7 May 2021-31 December 2023. The Nomination Board proposes that those who participated in the vesting period in question and fulfil the terms of the Scheme shall, in accordance with the terms of the Scheme, receive one commitment share free of charge for every four shares they subscribed for in the share issue and still hold at the end of the vesting period. This means that Timo Kotilainen shall receive 257 commitment shares, and Kaj Hagros, Matti Piri and Stefan Wikman shall receive 107 commitment shares each, i.e. a total of 578 shares. The bonus is paid entirely in shares.

19. Resolution on the remuneration of the Shareholders' Nomination Board

The Shareholders' Nomination Board proposes the following annual fees for the members of the Nomination Board:

- Chair of the Nomination Board: EUR 4,000 per year
- Member of the Nomination Board: EUR 2,500 per year

On the date of this notice, the remuneration of the Nomination Board is determined in accordance with the resolution of the AGM on 6 May 2021, according to which each member of the Shareholders' Nomination Board and the Chair of the Board of Directors, who participates in the work of the Nomination Board as an expert member, are paid a meeting fee of EUR 400 per meeting and the Chair of the Nomination Board EUR 700 per meeting.

20. Authorisation to decide on donations

The Board of Directors proposes that the AGM authorises the Board of Directors to decide on donations of at most EUR 50,000 in total to training and research activities that support the company's business or non-profit or comparable causes, and that the AGM 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 AGM are available on the company's website at www.loihde.com/agm. The above-mentioned documents are also available at the meeting and copies of the documents will be sent to shareholders upon request. The minutes of the meeting will be available on the above-mentioned website as of 21 May 2024 at the latest.

C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE GENERAL MEETING

1. Shareholders registered in the shareholder register

Each shareholder who is registered in Loihde Plc's shareholder register held by Euroclear Finland Oy on the record date of the AGM, i.e. on 24 April 2024, has the right to participate in the AGM. A shareholder whose shares are registered on his/her personal Finnish book-entry account is registered in the shareholder register of the company.

A shareholder who is registered in the shareholder register of the company and who wants to participate in the AGM shall register for the meeting no later than 30 April 2024 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. Notice of participation and advance voting start on 27 March 2024 at 10:00 a.m.

Notice of participation can be given:

- a) on the company's website www.loihde.com/agm,
- b) by email to osakeasiat@loihde.com or
- c) by regular mail to Euroclear Finland Oy, PL 1110, 00101 Helsinki, FINLAND.

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. Registration on the company's website uses strong authentication with Finnish online banking ID. The personal data given to Loihde Plc or Euroclear Finland Oy is used only in connection with the AGM and the processing of related required 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 AGM by virtue of such shares, based on which he/she on the record date of the AGM, i.e. on 24 April 2024, would be entitled to be registered in the shareholder register of the company held by Euroclear Finland Oy. The right to participate in the AGM requires, in addition, that the shareholder on the basis of such shares has been temporarily registered in the shareholder register held by Euroclear Finland Oy by 10:00 a.m. on 2 May 2024 at the latest. As regards nominee-registered shares, this constitutes due registration for the AGM. Changes in shareholding after the record date of the AGM 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 temporary registration in the shareholder register of the company, the issuing of proxy documents and voting instructions and registration for the AGM from his/her custodian bank. The account operator of the custodian bank has to register a holder of nominee-registered shares who wants to attend the AGM temporarily in the shareholder register of the company by the time stated above at the latest, and, if necessary, ensure to vote in advance on behalf of the shareholder before the deadline for registration regarding holders of nominee-registered shares ends.

3. Proxy representative and powers of attorney

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

In addition to producing proxy documents (powers of attorney), the shareholder or his/her proxy shall register for the AGM in the way described in this notice. The duty to register also applies to shareholders that have given so-called long-term powers of attorney or their proxies.

A shareholder's proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the AGM. When a shareholder participates in the AGM 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 AGM. The form for the proxy document and voting instructions is available on Loihde's website at www.loihde.com/agm.

The signed proxy document shall be delivered by email to osakeasiat@loihde.com, or by regular mail to Euroclear Finland Oy, PL 1110, 00101 Helsinki, FINLAND. The proxy document shall be received by the company no later than 30 April 2024 by 4:00 p.m.

A shareholder who is a legal person can instead of the traditional proxy document deliver a proxy document in the online service used for giving notice of participation in the meeting.

A shareholder who is an organisation can also use the [Suomi.fi](https://suomi.fi) e-authorisation service instead of a traditional proxy document. In this case, the organisation authorises a proxy that they nominate in the [Suomi.fi](https://suomi.fi) authorisation service at suomi.fi/e-authorizations, using the mandate theme "Representation at the General Meeting". In connection with Euroclear Finland Oy's general meeting service, the proxy so authorised must identify himself/herself with strong electronic authentication in connection with the registration, after which the electronic authorisation will be checked automatically. Strong electronic authentication works with online banking ID or mobile certificate. 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 AGM through the company's website during the time period starting on 27 March 2024 at 10:00 a.m. and ending on 30 April 2024 at 4:00 p.m.

In order to be able to vote in advance, the shareholder shall first give notice of participation in the AGM.

A shareholder voting in advance will not be able to use his/her right according to the Finnish Limited Liability Companies Act to request information or a vote, unless he/she participates in the AGM on location, in person or by way of proxy representation.

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

For holders of nominee-registered shares, the advance voting occurs via the account operator. The account operator can vote in advance on behalf of the holders of nominee-registered shares that the account operator represents in accordance with their voting instructions before the deadline for registration of nominee-registered shares ends.

A draft resolution that is subject to advance voting is considered to have been presented unchanged at the AGM. The terms and conditions and instructions related to the electronic advance voting can be found on the company's website at www.loihde.com/agm.

5. Asking questions in advance

Shareholders may ask questions in advance on topics included in the meeting agenda. The questions shall be sent by email to viestinta@loihde.com, and they shall be received by the company by 30 April 2024, 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 Finnish Limited Liability Companies Act. Questions asked by virtue of the right to request information based on the law shall be asked at the AGM.

6. Following the meeting online via webcast

Shareholders have the opportunity to follow the AGM online via webcast. Following the AGM by webcast is not considered as participating in the AGM, nor is it possible via webcast to exercise the right to request information or other shareholder rights pursuant to the Finnish Limited Liability Companies Act at the AGM.

In order to be able to follow the meeting via webcast, 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 webcast 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 Finnish Limited Liability Companies Act, a shareholder who is present at the AGM has the right to request information with respect to the matters to be dealt with by the meeting.

Changes in shareholding after the record date of the AGM do not affect the right to participate in the meeting or the number of voting rights held in the meeting.

On the date of this notice of the General Meeting, 25 March 2024, the total number of shares in Loihde Plc and votes represented by such shares are 5,761,707 shares and votes. On 25 March 2024, the company's Board of Directors has, based on an authorisation, decided to issue an additional 29 219 shares. The Loihde Group holds 53,356 treasury shares without voting rights at the AGM.

25 March 2024

LOIHDE PLC

Board of Directors

Further information

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Loihde enables business continuity. We help our customers to create growth and competitiveness through digitalisation and to protect themselves from physical and cyber threats. Loihde consists of two business areas: security solutions with the brand Loihde Trust, and digital development with the brands Loihde Advance, Loihde Factor and Loihde Cloudon. The Group has approximately 850 employees and its revenue in 2023 amounted to EUR 133 million.

Attachments

- [Download announcement as PDF.pdf](#)