



loudspring

Notice to the Annual General Meeting of Loudspring Plc

Loudspring Plc

Company Release

30 June 2020 at 16.00 (EEST)

Notice to the Annual General Meeting of Loudspring Plc

Notice is given to the shareholders of Loudspring Plc to the Annual General Meeting to be held on Monday, 3 August 2020 at 10.00 (EEST) at Radisson Blu Seaside Hotel, address Ruoholahdenranta 3, 00180 Helsinki, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 9.30 (EEST).

A. Matters on the agenda of the 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 annual accounts and the auditor's report for the year 2019**
 - Review by the CEO
- 7. Adoption of the annual accounts**
- 8. Result for the financial period**

The Board of Directors proposes to the Annual General Meeting that company's loss for the financial period of EUR 4 151 030,77 shall be transferred to the accrued earnings account, and that it would resolve not to distribute any dividend to the shareholders for the financial period 2019.

9. Resolution on the discharge from liability of the members of the Board of Directors and the CEO

10. Resolution on the remuneration of the members of the Board of Directors

Shareholders representing approximately 21.32 per cent of the company's shares and approximately 62.93 per cent of the votes propose to the Annual General Meeting that the members of the Board of Directors be paid EUR 400 per month. In addition, the Chairman of the Board would be granted 25,000, Vice Chairman 20,000 and other Board members 15,000 stock options as annual remuneration.

In addition, the Board members who have been elected to the Board of Directors by the Annual General Meetings held on 21 April 2017, 20 April 2018 and 26 April 2019 would be granted 10,000 stock options per member of the Board of Directors per year for years 2017 and 2018, in addition, the Chairman would be granted 25,000, Vice Chairman 20,000 and other Board members 15,000 stock options for year 2019 (a total of 165,000 stock options), as the stock options granted by the Annual General Meetings held on 21 April 2017, 20 April 2018 and 26 April 2019 have not been issued to such members of the Board of Directors. The stock options would be issued based on the authorization which is proposed to be given by this Annual General Meeting.

The remuneration of the members of the Board of Directors is not paid to persons who are or who during the said time period have been working for the company. It is also proposed that the members of the Board of Directors be reimbursed for reasonable travel and lodging costs. Travel and lodging costs would not be compensated to those members of the Board of Directors who reside in the greater Helsinki area when the meetings are held in the greater Helsinki area.

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

Shareholders representing approximately 21.32 per cent of the company's shares and approximately 62.93 per cent of the votes propose to the Annual General Meeting that six (6) members be elected to the Board of Directors.

12. Election of members of the Board of Directors

Shareholders representing approximately 21.32 per cent of the company's shares and approximately 62.93 per cent of the votes propose to the Annual General Meeting that Mr. Matti Vuoria, Mr. Lassi Noponen, Mr. James Penney, Ms. Tiina Kähö and Mr. Johan Strömberg of the current members of the Board of Directors be re-elected as members of the Board of Directors

according to their consents. It is further proposed that Mr. Anders Lundström is elected as a new member of the Board of Directors according to his consent.

In accordance with the Articles of Association of the company, the term of office of the members of the Board of Directors ends at the closing of the Annual General Meeting following the election.

13. Resolution on the remuneration of the auditor

The Board of Directors proposes to the Annual General Meeting that the auditor's fees be paid according to the auditor's invoice approved by the company.

14. Election of auditor

The Board of Directors proposes to the Annual General Meeting that auditing firm KPMG Oy Ab be elected as the company's auditor. KPMG Oy Ab has informed that the principal auditor will be Mr. Petri Kettunen, Authorised Public Accountant. The term of office of the auditor ends at the closing of the Annual General Meeting following the election.

15. Authorizing the Board of Directors to decide on issuances of shares, options and other special rights entitling to shares

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to decide, in one or more transactions, on issuance of class A shares and issuance of options and other special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act as follows:

The number of class A shares to be issued based on the authorization may in total amount to a maximum of 10,000,000 shares.

The Board of Directors decides on all the terms and conditions of the issuances of shares and of options and other special rights entitling to shares. The issuance of shares and of options and other special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue), if there is a weighty financial reason for the company. The authorization could be used, inter alia, for issuance of options to persons who currently hold company's options of 2013. The options 2013 entitle the holder to subscribe for new class K shares, and the share subscription period based on the options 2013 ends on 31 December 2020. The precondition for issuing the options is that the holders of options 2013 do not use the options 2013 for subscription of class K shares. The subscription price of the shares with the options to be issued would be the same as with the options 2013, i.e. EUR 0.0001 per share, or a higher subscription price decided by the Board of Directors.

Shares may be conveyed either against payment or free of charge in the company's share issues. A directed share issue may be a share issue without payment only if there is an especially weighty reason for the same both for the company and in regard to the interests of all shareholders in the company.

The authorization cancels the authorization granted by the Annual General Meeting on 26 April 2019.

The authorization is valid until 30 June 2021.

16. Authorizing the Board of Directors to decide on issuance of options

Shareholders representing approximately 21.32 per cent of the company's shares and approximately 62.93 per cent of the votes propose that the Annual General Meeting authorizes the Board of Directors to decide, in one or more transactions, on the issuance of options as follows. The authorization cancels the authorization granted by the Annual General Meeting on 26 April 2019 to decide on the issuance of options and other special rights entitling to shares. Options have not been granted based on the said authorization.

The number of new class A shares that can be subscribed to based on the options that can be issued on basis of the authorization may in total amount to a maximum 1,200,000 shares.

The options may be issued to the key personnel, including members of the Board of Directors of the company, and to cooperation partners and advisors of the company as part of the company's incentive scheme to be established by the Board of Directors.

The following terms and conditions are applied to the options:

- The original share subscription price for the options is EUR 0.37 per share and it has been set based on the trade volume weighted average quotation of the company's class A share on First North Finland during 18 March – 29 March 2019. The subscription price is the same as in been used.
- Should the company distribute dividends or assets from reserves of unrestricted equity, the original share subscription price of the stock options shall be decreased by the amount of the dividend and the amount of the distributable unrestricted equity decided before share subscription, as per the dividend record date or the record date of the repayment of equity.
- Should the company reduce its share capital by distributing share capital to the shareholders, the original share subscription price of the stock options shall be decreased by the amount of the distributable share capital decided before share subscription, as per the record date of the repayment of share capital.
- The Board of Directors decides on the effects of a potential partial demerger on the options and the terms and conditions of the options, including the share subscription price.
- Subscription period for shares based on the options granted to the members of the Board of Directors begins on the date of Board of Directors' resolution on issuance of options. The Board of Directors resolves on possible vesting targets and schedule for the options to be granted to other key personnel.

The Board of Directors resolves the persons receiving the options and all other terms and conditions of the options. However, the General Meeting resolves on granting of options to members of the Board of Directors should the options be remuneration for membership in the Board of Directors. For the avoidance of doubt, the Board of Directors may resolve on granting of options to members of the Board of Directors who are also working for the company in an operative role or as an advisor, if the options are granted based on their operative or advisor role in the company.

The authorization is valid until 30 June 2023.

17. Authorizing the Board of Directors to decide on acquisition of the company's own shares

The Board of Directors proposes that the Annual General Meeting decide to authorize the Board of Directors to decide on acquisition of the company's own shares on the following terms and conditions:

The Board of Directors is authorized to repurchase a maximum of 1,487,000 company's own class A shares and/or accept company's own class A shares as pledge on the company's unrestricted equity. This amount corresponds to approximately 5.0 per cent of the company's shares.

The acquisition may take place in one or more instalments. The purchase price shall not be lower than the lowest price paid for the company's class A shares in multilateral trading on the acquisition date and shall not be higher than the highest price paid for the company's class A shares in multilateral trading on the acquisition date. In connection with the execution of the acquisition of own shares derivatives, share lending or other contracts customary to capital markets and permitted by laws and regulations may be entered into at price determined by the markets. The authorization entitles the Board of Directors to decide on the acquisition in deviation from the shareholders' shareholding (directed acquisition).

Shares may be repurchased to be used as consideration in possible acquisitions or other business arrangements of the company, to finance investments, as part of the company's incentive scheme or to be retained, otherwise conveyed or cancelled.

The Board of Directors shall decide on other terms and conditions relating to acquisition of own shares. The authorization is valid for eighteen (18) months from the decision of the General Meeting.

18. Closing of the meeting

B. Documents of the General Meeting

This notice containing the above-mentioned proposals relating to the agenda of the Annual General Meeting, the annual accounts of Loudspring Plc for the financial year 2019 and the auditor's report are available on Loudspring Plc's website at www.loudspring.earth. Additionally, the above-mentioned documents are available to shareholders at the meeting. Minutes of the meeting are available on the above-mentioned website no later than 17 August 2020 onwards.

C. Instructions for the participants

1. Shareholder registered in the shareholders' register

Each shareholder who is registered on 22 July 2020 in the shareholders' register of the company held by Euroclear Finland Oy has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her/its personal Finnish book-entry account, is registered in the shareholders' register of the company.

A shareholder, who wants to participate in the Annual General Meeting, shall register for the meeting no later than 29 July 2020 at 4.00 p.m., by which time the registration shall be received. The registration may take place by email to the address: gm@loudspring.earth

In connection with the registration a shareholder shall notify his/her/its name, personal identification number, address, telephone number email address and the name of a possible assistant or proxy representative and the personal identification number of a proxy representative. The personal data given to Loudspring Plc. is used only in connection with the Annual General Meeting and the processing of related necessary registrations. Shareholder, his/her/its representative or proxy representative shall, when necessary, be able to prove his/her/its 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 Annual General Meeting by virtue of shares based on which he/she/it on the record date of the meeting, i.e. on 22 July 2020, would be entitled to be registered in the shareholders' register of the company held by Euroclear Finland Oy. The right to participate in the Annual General Meeting requires, in addition, that the shareholder has on the basis of such shares been registered into the temporary shareholders' register of the company held by Euroclear Finland Oy at the latest on 29 July 2020 by 10.00 a.m. (EEST). As regards nominee registered shares this constitutes due registration for the Annual General Meeting.

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

3. Shares registered in Euroclear Sweden AB

A shareholder with shares registered in Euroclear Sweden AB's securities system who wishes to attend and vote at the Annual General Meeting must be registered in the shareholders' register maintained by Euroclear Sweden AB no later than on 22 July 2020.

Shareholders, whose shares are registered in the name of a nominee must, in order to be eligible to request a temporary registration in the shareholders' register of Loudspring Plc maintained by Euroclear Finland Oy, request that their shares are re-registered in their own names in the register of shareholders maintained by Euroclear Sweden AB, and procure that the nominee sends the above mentioned request for temporary registration to Euroclear Sweden AB on their behalf. Such registration must be made at the latest by 22 July 2020 and the nominee should therefore be notified well in advance before said date.

A shareholder with shares registered in Euroclear Sweden AB's securities system who wishes to attend and vote at the Annual General Meeting must request temporary registration in the shareholders' register of Loudspring Plc maintained by Euroclear Finland Oy. Such request shall be submitted in writing to Loudspring Plc no later than on 23 July 2020 at 10.00 a.m. Swedish time. This temporary registration made through written request to Loudspring Plc is considered a notice of attendance at the Annual General Meeting. Instructions for registering for shareholders with shares registered in Euroclear Sweden AB can be found at: loudspring.earth/agm

4. Proxy representative and powers of attorney

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

A proxy representative shall produce a dated proxy document or otherwise provide reliable evidence of the right to represent the shareholder. The authorization applies to one meeting, unless otherwise stated. When a shareholder participates in the Annual 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 Annual General Meeting.

Possible proxy documents should be delivered to in originals to Loudspring Plc, Annual General Meeting, Fredrikinkatu 71 A 11, 00100 Helsinki, Finland before the end of the registration period.

5. Other instructions and information

Pursuant to Chapter 5 Section 25 of the Finnish Companies Act, a shareholder who is present at the Annual General Meeting has the right to request information with respect to the matters to be handled at the meeting.

The meeting will be conducted in Finnish language. Part of the material presented at the meeting may be in English language.

On the date of the notice to the Annual General Meeting, 30 June 2020, the total number of shares in Loudspring Plc. is 32,501,828, of which 28,447,797 are class A shares and 4,054,031 class K shares. Each class K share carries 20 votes and each class A share one vote at General Meetings. The shares have a total of 109,528,417 votes.

In Helsinki, 30 June 2020

LOUDSPRING PLC

Board of Directors

Contact information:

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Loudspring in brief

Loudspring is an investment company focused on saving natural resources. We own and operate Nordic growth businesses that are fighting climate change and making a big environmental impact. We have a diversified business portfolio with technologies that save energy, water and materials in industry, real estate and in everyday life.

The company group is listed on First North Growth Market Finland under the ticker LOUD and on First North Growth Market Stockholm under the ticker LOUDS.

www.loudspring.earth

LinkedIn: <https://www.linkedin.com/company/loudspring/>

Twitter: [@loudspring](https://twitter.com/loudspring)

IG: [@loudspring_earth](https://www.instagram.com/loudspring_earth)

FB: [@loudspringco](https://www.facebook.com/loudspringco)