



loudspring

Loudspring has entered into an agreement on offering of stock options and will convene an Extraordinary General Meeting

Loudspring Oyj

Company release, inside information

18.12.2020, 12.30 (EET)

Loudspring Oyj ("Loudspring" or the "Company") has on 10 May 2013 resolved on issuance of in total 2,443,936 stock options to key employees of the Company (the "Stock Options 2013"). Each Stock Option 2013 entitles its holder to subscribe for one (1) new class K share in the Company and each class K share carries twenty (20) votes in the General Meeting. Currently, there are in total 1 439 680 Stock Options 2013 unsubscribed and they are owned by the current and former key employees of the Company (the "Option Holders"). The share subscription period with the Stock Options 2013 ends on 31 December 2020.

The Annual General Meeting of Loudspring held on 3 August 2020 authorized the Board of Directors to decide on issuance of shares, options and other special rights entitling to class A shares. Based on the Annual General Meeting's resolution, the authorization can be used, inter alia, for issuance of stock options to the holders of the Stock Options 2013. The precondition for issuing the stock options is that the Option Holders do not use the Stock Options 2013 for subscription of class K shares. Based on the Annual General Meeting's resolution, the subscription price of the shares with the stock options to be issued would be the same as with the Stock Options 2013, i.e. EUR 0.0001 per share, or a higher subscription price decided by the Board of Directors.

The number of class A shares to be issued based on the authorization amounted to a maximum of 10,000,000 shares. The Board of Directors has used the authorization in full in the directed share issues arranged during the second half of 2020.

Therefore, Loudspring, certain of its major shareholders, representing over 2/3 of the votes in the General Meeting, (the "Major Shareholders") and the Option Holders have today entered into an agreement (the "Option Agreement") based on which

1. in February 2021 at the latest, the Board of Directors of the Company will summon an Extraordinary General Meeting and propose that a new authorization is granted to the Board of Directors materially in form of the authorization that the Annual General Meeting granted to the Board of Directors on 3 August 2020 (the "New Authorization");
2. the Option Holders (to the extent they own shares in the Company) and the Major Shareholders agree to vote in favour of the New Authorization in the Extraordinary General Meeting; and
3. in case the New Authorization is granted by the Extraordinary General Meeting, the Board of Directors of the Company will resolve on issuance of new stock options (the "Stock Options 2021") to the Option Holders so that each Option Holder receives one (1) Stock Option 2021 per each Stock Option 2013 currently held by the said Option Holder and not used for subscription of class K shares during the share subscription period of the Stock Options 2013. For the sake of clarity, the Stock Options 2021 would entitle to subscription of class A shares instead of class K shares as in Stock Options 2013.

To summarize the above, the following conditions precedent apply for the issuance of Stock Options 2021 to the Option Holders: 1) The Option Holder, who wishes to receive Stock Options 2021, has not used corresponding number of his/her Stock Options 2013 for subscription of class K shares; and 2) the Board of Directors of the Company receives the New Authorization from the Extraordinary General Meeting.

The Board of Directors of Loudspring considers that the Company would have a weighty financial reason for the issuance of Stock Options 2021, since by entering into the Option Agreement and by offering the Stock Options 2021 to the Option Holders the Company is able to postpone, and on part of the voting rights, substantially reduce, the dilution effect that the use of all the Stock Options 2013 for subscription of class K shares would have caused.

Loudspring Oyj

Board of Directors

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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

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