



**PROPOSALS TO  
THE ANNUAL GENERAL MEETING OF  
BITTIUM CORPORATION  
April 1, 2020**

Copyright Bittium Corporation

## Table of Contents

---

1	PROPOSAL BY THE BOARD OF DIRECTORS REGARDING THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND (ITEM 8 ON THE AGENDA OF THE GENERAL MEETING) .....	3
2	PROPOSAL BY THE SHAREHOLDERS FOR REMUNERATION OF THE BOARD OF DIRECTORS (ITEM 11 ON THE AGENDA OF THE GENERAL MEETING) .....	4
3	PROPOSAL BY THE SHAREHOLDERS FOR COMPOSITION OF THE BOARD OF DIRECTORS (ITEMS 12 AND 13 ON THE AGENDA OF THE GENERAL MEETING).....	5
4	PROPOSAL BY THE BOARD OF DIRECTORS FOR THE REMUNERATION OF THE AUDITOR (ITEM 14 ON THE AGENDA OF THE GENERAL MEETING) .....	6
5	PROPOSAL BY THE BOARD OF DIRECTORS FOR THE ELECTION OF AUDITOR (ITEM 15 ON THE AGENDA OF THE GENERAL MEETING).....	7
6	PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE OF OWN SHARES (ITEM 16 ON THE AGENDA OF THE GENERAL MEETING) .....	8
7	PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES AS WELL AS THE ISSUANCE OF SPECIAL RIGHTS ENTITLING TO SHARES (ITEM 17 ON THE AGENDA OF THE GENERAL MEETING) .....	9



## 1 PROPOSAL BY THE BOARD OF DIRECTORS REGARDING THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND (ITEM 8 ON THE AGENDA OF THE GENERAL MEETING)

According to the parent company's balance sheet at December 31, 2019, the distributable assets of the parent company are EUR 116 759 025.98 of which the profit of the financial year is EUR 4 759 958.60.

The Board of Directors proposes that the Annual General Meeting to be held on April 1, 2020 resolve to pay EUR 0.10 per share as dividend based on the adopted balance sheet for the financial period of January 1, 2019 - December 31, 2019. The dividend will be paid to the shareholders who are registered as shareholders in the company's register of shareholders as maintained by Euroclear Finland Ltd on the dividend record date, April 3, 2020. The Board of Directors proposes that the dividend be paid on April 14, 2020.

Oulu, 13 February 2020

The Board of Directors



## 2 PROPOSAL BY THE SHAREHOLDERS FOR REMUNERATION OF THE BOARD OF DIRECTORS (ITEM 11 ON THE AGENDA OF THE GENERAL MEETING)

The three largest shareholders who represent approximately 12.7 per cent of the shares in the company propose to the General Meeting that to the members of the Board of Directors to be elected be paid the following monthly remuneration for the term of office ending at the end of the next Annual General Meeting: to the chairman of the Board of Directors EUR 3,150 and to the other members of the Board of Directors EUR 1,800 each. In addition, the members of the Board of Directors are entitled to compensation for attending Board meetings as follows: the chairman of the Board EUR 875 for each meeting and other members EUR 500 for each meeting. In addition, the members of the Board of Directors are entitled to compensation for attending Committee meetings as follows: the chairman of the Committee EUR 600 for each meeting and other Committee members EUR 400 for each meeting.

The above-mentioned shareholders propose that 50 % of the total amount of the monthly remuneration of the members of the Board of Directors will be paid at once as Bittium Corporation's shares acquired for the price formed in public trading, through share issue or, in special circumstances if share based remuneration cannot be paid for some reason, in money. The member of the Board of Directors may not transfer the shares received as remuneration before his/her membership in the Board of Directors has ended.

The above-mentioned shareholders furthermore propose that the travel expenses of the members of the Board of Directors be compensated in accordance with the company's travel compensation policy.

Oulu, 13 February 2020



### 3 PROPOSAL BY THE SHAREHOLDERS FOR COMPOSITION OF THE BOARD OF DIRECTORS (ITEMS 12 AND 13 ON THE AGENDA OF THE GENERAL MEETING)

The three largest shareholders who represent approximately 12.7 per cent of the shares in the company propose to the General Meeting that the number of members of the Board of Directors shall be six (6).

The three largest shareholders who represent approximately 12.7 per cent of the shares in the company propose to the General Meeting that for a term of office ending at the end of the next Annual General Meeting following the election, Mr. Seppo Mäkinen, Mr. Juha Putkiranta, Mr. Erkki Veikkolainen, Ms. Riitta Tiuraniemi and Mr. Pekka Kemppainen be re-elected as members of the Board of Directors and Mr. Veli-Pekka Paloranta be elected as a new member of the Board of Directors. All candidates and the evaluation regarding their independence have been presented on the company's website [www.bittium.com](http://www.bittium.com). All candidates have given their consent to the election. Mr. Petri Toljamo has stated to the above mentioned three largest shareholders that he will no longer be available as a member of the Board of Directors.

Oulu, 13 February 2020



#### 4 PROPOSAL BY THE BOARD OF DIRECTORS FOR THE REMUNERATION OF THE AUDITOR (ITEM 14 ON THE AGENDA OF THE GENERAL MEETING)

Based on the proposal of the Audit Committee the Board of Directors proposes to the General Meeting that the remuneration for the auditor to be elected will be paid against the auditor's reasonable invoice.

Oulu, 13 February 2020

The Board of Directors



## 5 PROPOSAL BY THE BOARD OF DIRECTORS FOR THE ELECTION OF AUDITOR (ITEM 15 ON THE AGENDA OF THE GENERAL MEETING)

Based on the proposal of the Audit Committee the Board of Directors proposes to the General Meeting that Ernst & Young Ltd, Authorized Public Accountants, be re-elected auditor of the company for a term of office ending at the end of the next Annual General Meeting. Ernst & Young Ltd has notified that Mr. Jari Karppinen, APA, would act as responsible auditor.

The Audit Committee has prepared its recommendation in accordance with the EU Audit Regulation (537/2014). The Audit Committee hereby confirms that its recommendation is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of Article 16 of the EU Audit Regulation, which would restrict the choice by the Annual General Meeting as regards the appointment of the auditor, has been imposed upon it.

Oulu, 13 February 2020

The Board of Directors



## 6 PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE OF OWN SHARES (ITEM 16 ON THE AGENDA OF THE GENERAL MEETING)

The Board of Directors proposes to the General Meeting that the Board of Directors be authorized to decide on the repurchase of the company's own shares as follows.

The amount of own shares to be repurchased shall not exceed 3,500,000 shares, which corresponds to approximately 9.81 per cent of all of the shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorization.

Own shares can be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market.

The Board of Directors decides how own shares will be repurchased. Own shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorization cancels the authorization given by the General Meeting on April 10, 2019 to decide on the repurchase of the company's own shares.

The authorization is effective until June 30, 2021.

Oulu, 13 February 2020

The Board of Directors





## 7 PROPOSAL BY THE BOARD OF DIRECTORS REGARDING AUTHORIZATION OF THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES AS WELL AS THE ISSUANCE OF SPECIAL RIGHTS ENTITLING TO SHARES (ITEM 17 ON THE AGENDA OF THE GENERAL MEETING)

The Board of Directors proposes to the General Meeting that the Board of Directors be authorized to decide on the issuance of shares as well as the issuance of other special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act as follows.

The amount of shares to be issued shall not exceed 3,500,000 shares, which corresponds to approximately 9.81 per cent of all of the shares in the company.

The Board of Directors decides on all the conditions of the issuance of shares and of special rights entitling to shares. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares. The issuance of shares and of special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue).

The authorization cancels the authorization given by the General Meeting on April 10, 2019 to decide on the issuance of shares as well as the issuance of other special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act.

The authorization is effective until June 30, 2021.

Oulu, 13 February 2020

The Board of Directors