



**PROPOSALS TO  
THE ANNUAL GENERAL MEETING OF  
BITTIUM CORPORATION  
April 14, 2021**

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, 2020 the distributable assets of the parent company are EUR 118 979 681.46 of which the profit of the financial year is EUR 2 220 655.48.

The Board of Directors proposes to the General Meeting that no dividend be distributed by the General Meeting based on the adopted balance sheet for the financial period of January 1, 2020 - December 31, 2020.

As the Board of Directors has proposed that no dividend be decided by the General Meeting, the shareholders have the right to demand minority dividend pursuant to Chapter 13 Section 7 of the Finnish Limited Liability Companies Act. The minority dividend must be distributed, if a demand to this effect is made by shareholders who have at least one tenth of all shares. The amount of minority dividend is EUR 1 110 327.74 which corresponds to half of the profit for the financial year. A shareholder demanding minority dividend may vote for the minority dividend through advance voting, and no separate demand or counterproposal is required.

Oulu, 22 March 2021

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 12.92 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, 22 March 2021



### 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 12.92 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 five (5).

The three largest shareholders who represent approximately 12.92 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. Erkki Veikkolainen, Ms. Riitta Tiuraniemi, Mr. Veli-Pekka Paloranta and Mr. Pekka Kemppainen be re-elected as members of the Board of Directors and Mr. Petri Toljamo 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. Current members of the Board Mr. Juha Putkiranta and Mr. Seppo Mäkinen have stated to the above mentioned three largest shareholders that they will no longer be available for election as members of the Board of Directors.

Oulu, 22 March 2021



#### 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 that the remuneration for the auditor to be elected will be paid against the auditor's reasonable invoice.

Oulu, 22 March 2021

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 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, 22 March 2021

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 number 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 June 15, 2020 to decide on the repurchase of the company's own shares.

The authorization is effective until June 30, 2022.

Oulu, 22 March 2021

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 Finnish Limited Liability Companies Act as follows.

The number 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 June 15, 2020 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 Finnish Limited Liability Companies Act.

The authorization is effective until June 30, 2022.

Oulu, 22 March 2021

The Board of Directors