

## Stock exchange release

Free for publication on May 14, 2020 at 1.30 p.m. (CEST+1)

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## Notice to the General Meeting of Bittium Corporation

Notice is given to the shareholders of Bittium Corporation (the "Company") to participate in the Annual General Meeting to be held on Monday June 15, 2020 at 12.00 noon (CEST+1) in the Company's headquarters at Ritaharjuntie 1, 90590 Oulu, Finland. In order to prevent the spread of the Covid-19 pandemic, the Annual General Meeting will be held without shareholders' and their proxy representatives' presence at the meeting venue. Shareholders of the Company and their proxy representatives may participate in the meeting and exercise shareholder rights only through voting in advance as well as by making counterproposals and presenting questions in advance. Instructions for shareholders are presented in this notice under section C "Instructions for the participants in the Annual General Meeting". Earlier registrations submitted to the cancelled Annual General Meeting, which was convened to be held on April 1, 2020, are not valid for this Annual General Meeting.

The Board of Directors of the Company has resolved on the exceptional procedure for the meeting based on the temporary legislative act to limit the spread of the Covid-19 pandemic approved by the Finnish Parliament on April 24, 2020. The Company has resolved to take actions enabled by the act in order to hold the meeting in a predictable manner, taking into account the health and safety of the Company's shareholders, personnel and other stakeholders.

### **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**

The Chair of the General Meeting will be Seppo Kymäläinen, attorney-at-law. In case Seppo Kymäläinen would not be able to act as the Chair of the General Meeting for a weighty reason, the Board of Directors will name another person it deems most suitable to act as the Chair.

#### **3. Election of the person to scrutinize the minutes and to verify the counting of votes**

The person to scrutinize the minutes and to verify the counting of votes will be Juri Viitaniemi, attorney-at-law. In case Juri Viitaniemi would not be able to act as the person to scrutinize the minutes and to verify the counting of votes for a weighty reason, the Board of Directors will name another person it deems most suitable to act in that role.

#### **4. Recording the legality of the meeting**

#### **5. Recording the attendance at the meeting and adoption of the list of votes**

The shareholders who have voted in advance within the advance voting period and who have the right to participate in the meeting pursuant to Chapter 5 Sections 6 and 6a of the Finnish Limited Liability Companies Act will be recorded to have been represented at the meeting. The list of votes will be adopted according to the information provided by Euroclear Finland Oy.

#### **6. Presentation of the annual accounts and consolidated annual accounts, the annual report of the Board of Directors and the auditor's report for the year 2019**

As participation in the General Meeting is possible only in advance, the Annual Report published by the Company on March 11, 2020, including the Company's Annual Accounts, the Consolidated Annual Accounts, the Annual Report of the Board of Directors and the

Auditor's Report, which are available on the Company's website <https://vuosikertomus.bittium.com>, will be deemed to have been presented to the General Meeting.

A video recording of the CEO's review will be available on the company's website [www.bittium.com/agm](http://www.bittium.com/agm) no later than on the day of the General Meeting at 9.00 a.m.

## **7. Adoption of the annual accounts**

The Board of Directors proposes that the General Meeting adopt the Annual Accounts and the Consolidated Annual Accounts.

## **8. Resolution on the use of the profit shown on the balance sheet and authorizing the Board of Directors to decide on distribution of dividend**

On December 31, 2019, the parent company's distributable funds amounted to approximately EUR 116.8 million, of which approximately EUR 4.8 million is profit for the financial year. The Company has on 30 April, 2020 in its business review for the January-March 2020 period disclosed that despite the delays caused by the coronavirus (SARS-CoV-2) pandemic in the business development in general and significant increase of risks and uncertainties due to the pandemic, the Company did not see a reason to change the financial outlook for 2020 published in the company's financial Statement Bulletin 2019. Additionally, the Company disclosed that it will constantly monitor the development of the market situation and if the outlook should weaken, the company may need to re-evaluate the situation. For these reasons the Board of Directors proposes to the General Meeting that no dividend be distributed by the General Meeting. Instead, the Board of Directors proposes that the General Meeting would authorize the Board of Directors to decide at a later stage and in its discretion on dividend distribution not exceeding the aggregate maximum amount of EUR 3.6 million in one or several instalments, which corresponds to approximately EUR 0.10 per share with the current number of shares. The authorization would be effective until the beginning of the next Annual General Meeting, however, no longer than until June 30, 2021. The proposed authorization of the Board of Directors is conditional on there being no distribution of minority dividend pursuant to Chapter 13 Section 7 of the Finnish Limited Liability Companies Act. Should the General Meeting decide on the distribution of minority dividend, the proposed authorization of the Board of Directors to decide on distribution of dividend shall be cancelled in its entirety and the Board of Directors shall not be able to decide on possible distribution of dividends at a later stage.

The Company will publish the Board of Directors' possible decisions on dividend distribution, and simultaneously confirm the applicable record and payment dates for such dividend payments. Dividends paid on the basis of this authorization will be paid to shareholders who on the applicable record date for such dividend payment are recorded in the shareholders' register held by Euroclear Finland Oy.

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 2,379,979.30 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.

## **9. Resolution on the discharge of the members of the Board of Directors and the President and CEO from liability for the financial year 2019**

## **10. Handling of the remuneration policy for governing bodies**

As participation in the General Meeting is possible only in advance, the Remuneration Policy for governing bodies published by a stock exchange release on March 11, 2020 is deemed to have been presented to the General Meeting. The Policy is available on the Company's website [www.bittium.com/agm](http://www.bittium.com/agm). The resolution concerning approval of the Remuneration Policy is advisory.

## **11. Resolution on the remuneration of the members of the Board of Directors**

The three largest shareholders who represent approximately 13.3 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 per cent 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 shares will be acquired according to a share purchase program prepared by the Company. A 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.

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

The three largest shareholders who represent approximately 13.3 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).

## **13. Election of members of the Board of Directors**

The three largest shareholders who represent approximately 13.3 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 Kempainen 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). The CV of Veli-Pekka Paloranta is attached to this notice. All candidates have given their consent to the election. Current member of the Board Mr. Petri Toljamo has stated to the above mentioned three largest shareholders that he will no longer be available for election as a member of the Board of Directors.

## **14. Resolution on the remuneration of the auditor**

Based on the proposal of the Audit Committee of the Board of Directors, 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.

## **15. Election of auditor**

Based on the proposal of the Audit Committee of the Board of Directors, 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.

## **16. Authorizing the Board of Directors to decide on the repurchase of own shares**

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.

## **17. Authorizing the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares**

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.

## **18. Decision making order**

## **19. Closing of the meeting**

## **B. DOCUMENTS OF THE GENERAL MEETING**

The above-mentioned proposals for the resolutions on the matters on the agenda of the General Meeting, this notice, the Company's Remuneration Policy and the Annual Report of Bittium Corporation, which includes the Company's Annual Accounts, the Consolidated Annual Accounts, the Annual Report of the Board of Directors and the Auditor's Report are available on the website [www.bittium.com/agm](http://www.bittium.com/agm). A copy of the Annual Report will be sent to shareholders upon request. The minutes of the General Meeting will be available on the above-mentioned website latest on June 29, 2020.

## **C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE GENERAL MEETING**

In order to prevent the spread of the Covid-19 pandemic, the General Meeting will be organized so that the shareholders and their proxies are not allowed to be present at the General Meeting venue. Shareholders and their proxies cannot participate in the General Meeting through real-time telecommunications either. Shareholders and their proxies can participate in the General Meeting and use their shareholder rights only by voting in advance and by submitting counterproposals and asking questions in advance in the manner instructed below.

### **1. Shareholders registered in the shareholders' register**

Each shareholder who is registered on the record date of the General Meeting, Wednesday June 3, 2020, in the shareholders' register of the Company kept by Euroclear Finland Ltd is entitled to participate in the General Meeting. A shareholder, whose shares are registered on his/her Finnish book-entry account, is registered in the Register of Shareholders of the Company. Shareholders cannot participate in the General Meeting by any other means than voting in advance in the manner instructed below as well as by submitting counterproposals and asking questions in advance.

### **2. Registration and advance voting**

Registration for the General Meeting and advance voting will begin on May 20, 2020 at 10.00 a.m. following the deadline for submitting counterproposals. A shareholder with a Finnish book-entry account, who wishes to participate in the General Meeting, must register for the General Meeting and vote in advance no later than by June 8, 2020 at 4.00 p.m. by which time the registration and votes need to have been received.

When registering, requested information such as the name, personal identification number, address and telephone number of the shareholder as well as requested information on a possible proxy representative such as the name and personal identification number of the proxy representative must be provided. The personal data given by the shareholder to Bittium Corporation and Euroclear Finland Oy will be used only in connection with the General Meeting and with the processing of related registrations.

Earlier registrations submitted to the cancelled Annual General Meeting, which was convened to be held on April 1, 2020, are not valid for this General Meeting.

A shareholder, who has a Finnish book-entry account, may register and vote in advance on certain items on the agenda of the General Meeting from 10.00 a.m. on May 20, 2020 until 4.00 p.m. on June 8, 2020 by the following means:

- a) through the website at [www.bittium.com/agm](http://www.bittium.com/agm)  
The Finnish personal identity code or business ID and book-entry account number of the shareholder is needed for voting in advance.
- b) by mail or email  
A shareholder may send the advance voting form available on the Company's website or corresponding information to Euroclear Finland Oy by letter to Euroclear Finland Oy, Yhtiökokous, P.O. Box 1110, FI-00101 Helsinki or by email at [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu). If the shareholder participates in the General Meeting by sending the votes in advance by mail or email to Euroclear Finland Oy, this constitutes registration for the General Meeting, if the shareholder simultaneously provides the information required for registration mentioned above.

Instructions relating to the advance voting may be found on the Company's website [www.bittium.com/agm](http://www.bittium.com/agm). Further information is available by telephone at +358 40 344 3322 from Monday to Friday at 9.00 a.m. to 3.00 p.m.

### 3. Proxy representatives and powers of attorney

A shareholder may participate in the General Meeting and use his/her rights by proxy. The proxy representative of a shareholder may participate in the General Meeting only by voting in advance on behalf of the shareholder in the manner instructed above.

A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder. Should a shareholder participate in the General Meeting by means of several proxy representatives representing the shareholder with shares in different book-entry accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the General Meeting.

Possible proxy documents should be delivered by regular mail to Euroclear Finland Oy, Yhtiökokous, PL 1110, FI-00101 Helsinki, Finland or by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu) before the end of the registration period, by which time the documents must be received by Euroclear Finland Oy. This requirement applies also to shareholders who have delivered proxy documents to the Company for the General Meeting which was planned to be held on April 1, 2020.

### 4. Holders of nominee registered shares

A holder of nominee-registered shares has the right to participate in the General Meeting by virtue of such shares, based on which he/she on the record date of the General Meeting Wednesday June 3, 2020, would be entitled to be registered in the Register of Shareholders of the Company held by Euroclear Finland Oy. The right to participate in the General Meeting requires, in addition, that the shareholder on the basis of such shares has been registered into the temporary shareholders' register held by Euroclear Finland Oy at the latest by Wednesday June 10, 2020 by 10.00 a.m. As regards nominee-registered shares this constitutes due registration for the General Meeting.

A holder of nominee-registered shares is advised to request without delay necessary instructions regarding the temporary registration in the Register of Shareholders of the Company, the issuing of proxy documents and registration for the General Meeting from his/her custodian bank. The account management organization of the custodian bank shall temporarily register a holder of nominee-registered shares into the Register of Shareholders of the Company at the latest by the time stated above. In addition, the account management organization of the custodian bank shall arrange advance voting on behalf of a nominee-registered shareholder within the registration period applicable to nominee-registered shares.

## 5. Other instructions and information

Shareholders who hold at least one hundredth of all the shares in the Company have a right to make a counterproposal concerning the items on the agenda of the General Meeting to be placed for a vote. Such counterproposals are required to be sent to the Company by email to [yhtiokokous@bittium.com](mailto:yhtiokokous@bittium.com) no later than by May 19, 2020 at 12.00 noon. In connection with making a counterproposal, shareholders are required to provide adequate evidence of shareholding. The counterproposal will be placed for a vote subject to the shareholder having the right to participate in the General Meeting and that the shareholder holds at least one hundredth of all shares in the Company on the record date of the General Meeting. Should the counterproposal not be placed for a vote at the General Meeting, advance votes in favor of the proposal will not be taken into account. The Company will publish possible counterproposals to be put to a vote on the Company's website [www.bittium.com/agm](http://www.bittium.com/agm) by no later than May 20, 2020.

A shareholder has the right to ask questions referred to in Chapter 5, Section 25 of the Finnish Limited Liability Companies Act with respect to the matters to be considered at the General Meeting. Such questions must be sent by email to [yhtiokokous@bittium.com](mailto:yhtiokokous@bittium.com) no later than June 1, 2020 at 4.00 p.m. Such questions from shareholders, the Company's management's answers to them, and any counterproposals that have not been placed for a vote are available on the Company's website [www.bittium.com/agm](http://www.bittium.com/agm) on June 4, 2020 at the latest. In connection with asking questions and making counterproposals, shareholders are required to provide adequate evidence of shareholding.

Information on the General Meeting required by the Finnish Limited Liability Companies Act and the Securities Markets Act is available on the Company's website [www.bittium.com/agm](http://www.bittium.com/agm).

On the date of this notice, May 14, 2020, of the General Meeting the total number of shares in Bittium Corporation and votes represented by such shares is 35,693,166. On the date of this notice to the General Meeting the Company does not hold any of its own shares.

Changes in the number of shares held after the record date of the General Meeting shall not have an effect on the right to participate the General Meeting nor on the number of votes held by a shareholder in the General Meeting.

Oulu, May 14, 2020  
Bittium Corporation  
The Board of Directors

## Further information

Kari Jokela  
Chief Legal Officer  
Tel. + 358 40 344 5258

## Distribution

Nasdaq Helsinki Oy  
Main media

## Bittium

Bittium specializes in the development of reliable, secure communications and connectivity solutions leveraging its 30 year legacy of expertise in advanced radio communication technologies. Bittium provides innovative products and services, customized solutions based on its product platforms and R&D services. Complementing its communications and connectivity solutions, Bittium offers proven information security solutions for mobile devices and portable computers. Bittium also provides healthcare technology products and services for biosignal measuring in the areas of cardiology, neurology, rehabilitation, occupational health and sports medicine. Net sales in 2019 were EUR 75.2 million and operating profit was EUR 6.3 million. Bittium is listed on Nasdaq Helsinki. [www.bittium.com](http://www.bittium.com)