



## **Resolutions of Fellow Finance Plc's Annual General Meeting and Board of Directors on April 3, 2019**

Fellow Finance Plc COMPANY ANNOUNCEMENT March 3, 2019, at 7 pm

Fellow Finance Plc's Annual General Meeting on 3 April 2019 approved the financial statements and discharged the members of the Board of Directors and the company's CEO from liability for the financial year 2018. The Meeting approved the Board of Directors' proposal to pay a dividend of EUR 0.04 per share. The dividend will be paid to shareholders who are recorded in the company's shareholder register maintained by Euroclear Finland Ltd. The record date is 5 April 2019. The dividend will be paid on 15 April 2019.

### **Board of Directors and Auditor**

The Annual General Meeting decided that the Board of Directors will consist of five (5) members. The following members were re-elected to the Board of Directors: Kai Myllyneva, Harri Tilev, Teemu Nyholm, Esa Laurila and Jorma Alanne. The term of office will be ending at the closing of the next Annual General Meeting.

The members of the board of Directors will be paid an annual remuneration of EUR 10,000 and to the Chairman of the Board of Directors EUR 15,000. The remuneration is not paid to the members of the Board of Directors who are employed by the company.

Timo Helle, Authorized Public Accountant, from Grant Thornton Ltd was elected as the Company's Auditor and as a substitute auditor of the auditing firm Revico Grant Thornton Oy for the following term of office. The Auditor's remuneration is according to the Auditor's reasonable invoice as approved by the Company.

### **Authorisation to the board of directors to decide on the repurchase of own shares**

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, that the Board of Directors is authorised to resolve on the repurchase of the Company's own shares in one or several tranches using the Company's unrestricted shareholders' equity as follows:

The maximum number of own shares to be repurchased is 100,000 shares.

The shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders in public trading arranged by Nasdaq Finland Oy for the market price formed at the moment of purchase.

The authorisation valid until the closing of the next Annual General Meeting, however, no longer than until 30 June 2020. The previous authorisation of the Board of Directors shall end to the Annual General Meeting on 3 April 2019.



### **The establishment of a shareholders' nomination board**

The Annual General Meeting resolved, in accordance with the Board of Directors' proposal which was attached to the notice of the Meeting, to establish a Shareholders' Nomination Board and to adopt the Charter of the Shareholder's Nomination Board in accordance with the proposal. The Nomination Board will be responsible for preparing and presenting proposals on the remuneration and number of members of the Board of Directors as well as proposal on the members of the Board of Directors, to the Annual General Meeting and, where needed, to an Extraordinary General Meeting. The Nomination Board shall also be responsible for identifying successors for existing Board members.

The Nomination Board will consist of five (5) members of which the four (4) largest shareholders each are entitled to appoint one (1). The Chairman of the Board of Directors participates in the Board as a non-voting expert member.

The largest shareholders of the company are defined based on the ownership information that has been registered in the Company's shareholders' register maintained by Euroclear Finland Ltd on the first weekday in September preceding the following Annual General Meeting. The Chairman of the Board of Directors requests the four largest shareholders, based on the determined ownership of shares, each to appoint one member to the Shareholders' Nomination Board.

Should two shareholders have the same number of shares and votes, and it is not possible to nominate both members elected by the two shareholders to the Nomination Board, the decision shall be made by drawing lots. If a shareholder does not want to exercise his or her appointing right, the right is transferred to the next largest shareholder who otherwise would not have an appointing right.

A person employed by or in the service of the Company or a member of the Board of Directors cannot be appointed as a member of the Nomination Board, with the exception of the Chairman of the Board of Directors who participates in the Board as a non-voting expert member. The Chairman of the Board of Directors convenes the first meeting of the Nomination Board. The Nomination Board elects a Chairman from among its members, who will convene the following meetings of the Nomination Board.

The Nomination Board sends its proposals to the Company's Board of Directors on the last weekday in January preceding the Annual General Meeting, at the latest.

### **Authorisation of the board of directors to resolve on a share issue and an issue of special rights entitling to shares**

The general meeting resolved, in accordance with the proposal of the Board of Directors, that the Board of Directors is authorised to resolve on a share issue and an issue of special rights entitling to shares as referred to in Chapter 10 Section 1 of the Companies Act in one or several tranches, either against payment or without payment as follows.

The aggregate amount of shares to be issued, including the shares to be received based on special rights, must not exceed 300,000 shares. The Board of the Directors may resolve to issue new



shares or to transfer own shares possibly held by the company. The proposed maximum number of shares under the authorisation is approximately 4.2% of all the shares in the Company on the date of the Invitation to the Annual General Meeting.

The authorization entitles the Board of Directors to decide on all the terms and conditions related to the issuance of shares and special rights entitling to shares, including the right to deviate from the pre-emptive right of shareholders to subscribe to shares to be issued. It is proposed that the authorisation be used, for example, to pay for company acquisitions, or incentive payments based on the key employees' incentive system, or for other purposes defined by the Board of Directors. In addition, it is proposed that the authorisation would include the right to decide whether the subscription price of the share is subscribed in full or in part in the reserve for invested unrestricted equity or as an increase of the share capital.

The authorisation is valid until the closing of the next Annual General Meeting, however, no longer than 30 June 2020. The previous authorisation of the Board of Directors ended to the Annual General Meeting on 3 April 2019.

### **Issuance of option rights**

The Meeting resolved on the issuance of option rights in deviation from the shareholders' pre-emptive subscription right attached to the notice of the Meeting to Fellow Finance Group's key employees.

There is a weighty financial reason for the company to issue option rights and to deviate from the pre-emptive subscription right because the option rights are intended as an integral part of the incentive and commitment scheme for the key employees. Option rights are intended to be an incentive for the key employees in their long-term work towards increasing the ownership value. Option rights are also used to commit the key employees to the employer. The aggregate amount of option rights issued is 200,000 and they are given without payment. The option rights shall be subscribed with the identifier 2019.

The option rights entitle their holders to subscribe a maximum of 200,000 new shares of the company or shares held by the company. The proportion of shares subscribed for with the option rights issued at this time is a maximum of 2.8% of all the shares of the company and the votes of the shares of the company based on the situation at the date of the Invitation to the Annual General Meeting, if the share subscription concerns new shares.

The share subscription period for the shares subscribed for with option rights shall be between 1 March 2022 and 28 February 2023. The share subscription price of the option rights shall be determined based on the company's weighted average rate of the exchange of shares between 1 March and 1 April 2019. The share subscription price shall be credited to the reserve for invested unrestricted equity.

The Board of Directors will decide on the offering of the option rights 2019 by 30 August 2019. The Board of Directors may decide on special terms and conditions concerning the receiving of the



option rights, which may concern, for example, the share ownership of a key employee or company's economic performance.

It was recorded, that according to the voting instructions provided in advance, there were 57,004 votes against the proposal by the shareholder, but no counterproposal. The chairman noted that based on the voting instructions provided in advance and the statements at the meeting, no vote on the matter is required.

The General Meeting resolved, in accordance with the proposal of the Board of Directors, to issue 200,000 option rights in accordance with the terms and conditions proposed by the Board of Directors.

### **Decisions by the Board of Directors**

The organizational meeting of the Board of Directors elected from among its members Kai Myllyneva as its Chairman.

Kai Myllyneva, Esa Laurila and Harri Tilev are independent of both the company and of significant shareholders.

FELLOW FINANCE PLC

### **Further enquiries:**

Jouni Hintikka

CEO, Fellow Finance Oyj

Tel. +358 40 585 5009

[jouni.hintikka@fellowfinance.fi](mailto:jouni.hintikka@fellowfinance.fi)

Certified advisor

Evli Bank Plc

tel. +358 40 579 6210

### **Fellow Finance in Brief**

Fellow Finance Plc started its operations in 2014. The company is an expansive global FinTech group that provides crowdfunding services. A key role in the company's business services is played by the leading Nordic<sup>1</sup> loan-based crowdfunding and peer-to-peer platform maintained by the company which has already been used by more than 560,000 customers in approximately 60 countries. Fellow Finance Plc is an Authorized Payment Institution supervised by the Finnish Financial Supervisory Authority of Finland and the shares of Fellow Finance Plc are listed on the Nasdaq First North Finland marketplace. The company has approximately 2,800 shareholders.

<sup>1</sup>Measured in terms of mediated financing volumes. Source: Brismo Market Data (retrieved on 3 April 2019).