

Innofactor Plc Stock Exchange Release March 1, 2016, at 08:35 Finnish time

## NOTICE OF THE ANNUAL GENERAL MEETING OF INNOFACTOR PLC

The shareholders of Innofactor Plc are invited to the Annual General Meeting on Tuesday, March 29, 2016, at 9:00 AM at Innofactor Plc's office, Keilaranta 9, Espoo, Finland. The reception of persons who have registered for the meeting and distribution of voting slips will commence at 8:30 AM at the meeting location.

### **A. Matters on the agenda of the General Meeting**

1. Opening of the meeting
  2. Calling the meeting to order
  3. Electing persons to scrutinize the minutes and to supervise the counting of votes
  4. Recording the legality of the meeting
  5. Recording the attendance at the meeting and adoption of the list of votes
  6. Presenting the annual accounts, the report of the Board of Directors and the auditor's report for the year 2015
- Presenting the CEO's report
7. Adopting the annual accounts
  8. Deciding on the use of the profit shown on the balance sheet and the payment of dividend

The Board of Directors proposes that Innofactor Plc should not pay any dividend for the financial period of January 1 to December 31, 2015.

9. Deciding on the discharge of the members of the Board of Directors and the CEO from liability
10. Deciding on the remuneration of the members of the Board of Directors

The Board of Directors proposes that the Chairman of the Board of Directors shall be paid a fee totaling EUR 48,000 per year and the other members of the Board of Directors shall be paid a fee totaling EUR 24,000 per year. No separate fees for meetings shall be paid. Half of the fee (50%) shall be paid monthly in cash and the other half (50%) as shares of Innofactor Plc. The shares shall be handed over to the members of the Board of Directors and, if necessary, shall be acquired from public trading directly on behalf of the members within two weeks of publishing the interim report of Innofactor Plc for January 1–March 31, 2016. In case shares will not be acquired due to a reason arising from the company or the Board member, the entire fee will be paid in cash. Innofactor Plc requires the members of the Board of Directors to keep the shares, which they have received as part of the fees, for the duration of their membership in the Board of Directors.

#### 11. Deciding on the number of members of the Board of Directors

The Board of Directors proposes that the number of the members of the Board of Directors be confirmed to five (5).

#### 12. Selecting the members of the Board of Directors

The Board of Directors proposes that Mr. Ari Rahkonen, Mr. Sami Ensio, Mr. Jukka Mäkinen, Mr. Ilari Nurmi and Mr. Pekka Puolakka are re-elected as members of the Board of Directors for term continuing until the close of the next Annual General Meeting. Of the current members Mr. J.T. Bergqvist has announced that he is not available for re-election. The Board of Directors has decided on its proposal after discussing the matter with the biggest shareholders of the company.

#### 13. Deciding on the auditor's fee

The Board of Directors proposes that the auditor's fee be paid according to a reasonable invoice.

#### 14. Selecting the auditor

The Board of Directors proposes that PricewaterhouseCoopers Oy, Authorized Public Accounting Firm, be selected as the auditor. PricewaterhouseCoopers Oy has stated that it will appoint Samuli Perälä, Authorized Public Accountant, as the auditor with principal responsibility.

#### 15. Authorization to decide on acquisition of own shares

The Board of Directors proposes the General Meeting to authorize the Board to decide on acquisition of own shares with following presumptions:

The General Meeting authorizes the Board of Directors to decide on acquisition of a maximum of 8,000,000 shares in one or several parts with the company's own capital. The Board of Directors proposes that the authorization entitles the Board to deviate from the shareholders' proportional shareholdings (directed acquisition). Own shares can be acquired at a price formed in public trading on the date of the acquisition or at a price otherwise formed on the market. The number of shares in the company's possession is at the maximum one tenth of the total number of shares in the company.

The shares may be used in making a payment for an acquisition, or when the company buys property related to its business operations, to develop the capital structure, to widen the ownership base, or as part of the incentive compensation plan, or to be otherwise invalidated or conveyed. In connection with the share repurchase ordinary derivative, stock lending, and other agreements may be made in the market in accordance with the laws and regulations.

The authorization is proposed to include the Board of Directors to decide on all other matters related to the acquisition of shares.

The authorization would be valid until June 30, 2017.

This authorization shall replace all earlier authorizations of the Board of Directors pertaining to the acquisition of own shares.

## 16. Authorization to decide on share issue as well as to grant option rights and other special rights entitling to shares

The Board of Directors proposes the General Meeting to authorize the Board to decide on issuance of a maximum of 15,000,000 shares and granting of a maximum of 1,000,000 of the company's own shares in one or several parts. However, the total number of shares shall not exceed 45,000,000 (Innofactor currently has a total of 33 453 737 shares).

The shares could be issued either against a payment or for free on the basis of conditions set by the Board of Directors and, for the part of an issue against payment, at the price defined by the Board of Directors.

The authorization also gives the Board of Directors the right to grant option rights and special rights—as defined in Chapter 10, Section 1 of the Companies Act—which entitle, against payment, to new shares or company shares in the company's possession. A right may also be given to a creditor in such manner that the right includes a condition that the creditor's receivable is used to set off the subscription price (convertible loan). The subscription price of the new shares and the amount paid for the company's own shares will be added to the fund for invested unrestricted equity.

The Board of Directors proposes that the authorization entitles the Board to deviate from the pre-emptive subscription rights of the existing shareholders, provided that the company has an important financial reason to do so, as regards the issue against payment, and that there is an especially important reason for the company and the good of the shareholders to do so, as regards the free issue. Within the limits set above, the authorization could be used, for example, to develop the capital structure, to widen the ownership base, in making a payment for an acquisition, when the company buys property related to its business operations, or incentive or reward program for employees and management at Innofactor group. New issue or transfer of own shares could also be used as a contribution in kind or when using the set-off right.

In addition, the Board of Directors proposes that the authorization include also the right to decide on a free share issue to the company itself in such a manner that, after the issue, the number of shares in the company's possession is at the maximum one tenth of the total number of shares in the company. This number includes the shares in the possession of the company or its subsidiaries as defined in Chapter 15, Section 11, subsection 1 of the Companies Act.

The Board of Directors will decide on all other matters related to the authorization.

This authorization would be valid until June 30, 2017.

This authorization shall replace all earlier authorizations of the Board of Directors related to issuance of shares and granting of the company's own shares.

## 17. Closing the meeting

### **B. Documents of the General Meeting**

This notice to the meeting is available on Innofactor Plc's web site at [www.innofactor.com](http://www.innofactor.com). Innofactor Plc's annual accounts, the report of the Board of Directors and auditing report will be available on the said web

site on March 8, 2016, at the latest. The above mentioned documents will also be available at the General Meeting. The minutes of the General Meeting will be available on the said web site within two weeks of the meeting.

### **C. Instructions for the participants of the General Meeting**

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

Each shareholder, who is registered in the shareholders' register of the company, held by Euroclear Finland Ltd., by Tuesday March 15, 2016, has the right to attend the General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the company. A shareholder, who is registered in the shareholders' register of the company and who wants to attend the General Meeting, shall register for the meeting no later than on Monday, March 21, 2015, at 16:00 PM at which time the registration must have been received.

Registration to the General Meeting can be done:

a) by email: [yhtiokokous@innofactor.fi](mailto:yhtiokokous@innofactor.fi)

b) by telephone: +358 50 575 6120 (CEO's assistant Tanja Eskolin), Monday–Friday at 10 AM–4 PM

c) by fax: +358 10 272 9001 or

d) by mail: Innofactor Plc, General Meeting, Keilaranta 9, 02150 Espoo, Finland.

In connection with the registration, a shareholder shall state his/her name, personal identification number/company number, address, telephone number, and the name of a possible representative, assistant or proxy representative and the personal identification number of the representative or proxy representative.

The personal information given to Innofactor Plc is used only in connection with the General Meeting and the processing of the necessary registrations related to it.

At the location of the meeting, the shareholder or his/her representative or proxy representative shall be able to present proof of identity and/or right to represent, if necessary.

#### **2. Holders of nominee registered shares**

Holder of nominee registered shares shall have the right to attend the General Meeting on the basis of those shares, which would give him/her the right to be registered in the shareholders' register, maintained by Euroclear Finland Ltd., on March 15, 2016. Attending the meeting also requires that these shareholder's shares are temporarily registered in the shareholders' register, maintained by Euroclear Finland Ltd., on March 17, 2015, at 10:00 AM at the latest. For nominee registered shares, this is considered as registration for the General Meeting.

A holder of nominee registered shares is advised to request without delay the necessary instructions regarding the temporary registration in the shareholders' register of the company, the issuing of proxy documents and the registration for the General Meeting from his/her custodian bank. The account

manager of the custodian bank shall register a holder of nominee registered shares, who wants to attend the General Meeting, to be temporarily entered into the shareholders' register of the company at the latest on the date and time specified above. Additional information is available on the company's web site at [www.innofactor.com](http://www.innofactor.com).

### 3. Proxy representatives and powers of attorney

A shareholder may attend the General Meeting and exercise his/her rights at the meeting by way of proxy representation. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the General Meeting. When a shareholder attends the General Meeting by means of several proxy representatives representing the shareholder with shares on different securities 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 are requested to be delivered in originals to "Innofactor Plc, General Meeting, Keilaranta 9, 02150 Espoo, Finland" before the end of the registration period.

### 4. Other instructions and information

Pursuant to Chapter 5, Section 25 of the Finnish Companies Act, a shareholder who is present at the General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice of the meeting, March 1, 2016, Innofactor Plc has a total of 33 453 737 shares of one type and representing an equal amount of votes.

We welcome the shareholders to the Annual General Meeting.

Espoo, March 1, 2016

INNOFACTOR PLC

Board of Directors

Additional information:

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Main media

[www.innofactor.com](http://www.innofactor.com)

Innofactor is one of the leading Nordic IT solution providers focused on Microsoft platforms. Innofactor delivers business critical solutions and maintenance services as a system integrator and develops its own software products and services. The focus area in Innofactor's own product development is Microsoft-based cloud solutions. Innofactor's customers include over 1,000 private and public sector organizations in Finland, Sweden, Denmark and elsewhere in Europe. The company has over 500 motivated and skilled employees in a number of locations in Finland, Sweden and Denmark. In 2010-2014, the annual growth of Innofactor's net sales has been approximately 45%. Microsoft named Innofactor Plc as the Finnish Partner of the Year in 2015. Innofactor was also selected into the Microsoft's international finals in two categories. The Innofactor Plc share is listed in the technology section of the main list of NASDAQ OMX Helsinki Oy. [www.innofactor.com](http://www.innofactor.com)