

## **PROPOSALS OF THE BOARD OF DIRECTORS TO KREATE GROUP PLC'S ANNUAL GENERAL MEETING 2021**

### **Resolution on the use of profit shown on the balance sheet**

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.44 per outstanding share be paid based on the balance sheet that will be adopted for 2020. The remaining distributable funds will be recorded in the unrestricted equity.

As at the date of the distribution proposal on 30 March 2021, the number of outstanding shares was 8,894,772, corresponding to a total dividend of EUR 3,913,699.68.

The dividend will be paid to shareholders who on the dividend record date of 7 May 2021 are entered as shareholders in the company's shareholder register held by Euroclear Finland Oy. The Board of Directors proposes that the dividend be paid on 19 May 2021.

### **Adoption of the remuneration policy of the governing bodies**

The Board of Directors proposes to the Annual General Meeting that the remuneration policy for the governing bodies be adopted. The resolution on the remuneration report is advisory.

The remuneration policy for the governing bodies is available at the company's website at <https://kreate.fi/en/investor/governance/general-meeting/annual-general-meeting-2021/>.

### **Adoption of the remuneration report of the governing bodies**

The Board of Directors proposes to the Annual General Meeting that the remuneration report for the governing bodies be adopted. The resolution on the remuneration report is advisory.

The remuneration report is available on the company's website <https://kreate.fi/en/investor/governance/general-meeting/annual-general-meeting-2021/>.

### **Resolution on the remuneration of the Board of Directors**

Based on the proposal prepared by the Remuneration and Nomination committee, the Board of Directors proposes to the Annual General Meeting that the members of the Board of Directors of Kreate shall be paid the following remuneration: To the Chair of the Board of Directors EUR 4,750 per month and to each other member of the Board of Directors EUR 2,000 per month.

In addition, based on the proposal prepared by the Remuneration and Nomination committee, the Board of Directors proposes that the member of the Board of Directors elected as Chair or Member of the Audit Committee or Nomination and Remuneration Committee shall receive an additional compensation of EUR 1,500 per year.

Reasonable travel expenses will be refunded in as invoiced.

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

Based on the proposal prepared by the Remuneration and Nomination committee, the Board of Directors proposes to the Annual General Meeting that the number of members of the Board of Directors of Kreate shall be seven (7).

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

Based on the proposal prepared by the Remuneration and Nomination committee, the Board of Directors proposes to the Annual General Meeting that the following members of the Board of Directors of Kreate be re-elected: Petri Rignell, Timo Kohtamäki, Janne Näränen, Elina Pienimäki and Markus Väyrynen, as well as that Timo Pekkarinen and Jussi Aine be elected as new members of the Board of Directors. The term of office of all members of the Board of Directors of Kreate will expire at the end of the Annual General Meeting 2022. The Board of Directors elects the Chairman among its members.

All the nominees are considered independent of Kreate and its major shareholders, except for Petri Rignell, who is not considered independent of Kreate, Janne Näränen, who is not considered independent of Kreate's major shareholder Intera Fund II L.P., Timo Pekkarinen, who is not considered independent of Kreate's major shareholder Tirinom Oy and Jussi Aine, who is not considered independent of Kreate's major shareholder Harjavalta Oy.

## **Resolution of the remuneration of the auditor**

Based on the proposal prepared by the Audit Committee, the Board of Directors proposes to the Annual General Meeting that the auditor of Kreate be paid reasonable remuneration in accordance with an invoice approved by the Board of Directors.

## **Election of auditor**

Based on the proposal prepared by the Audit Committee, the Board of Directors proposes to the Annual General Meeting that the firm of authorised public accountants KPMG Oy Ab, which has appointed APA Turo Koila as responsible auditor, be re-elected as the auditor of Kreate for a term ending at the end of the Annual General Meeting 2022.

## **Authorisation of the Board of Directors to resolve on the issuance of shares and special rights entitling to shares**

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to resolve on the issuance of shares, as well as the issuance of option rights and other special rights entitling to shares pursuant to Chapter 10 of the Finnish Companies Act, as follows:

Under the authorisation, a maximum of 898,000 shares can be issued, which would correspond to approximately 10 percent of all Kreate's shares at the time of this proposal. The shares or special rights entitling to shares can be issued in one or more tranches, either against or without payment. The shares issued under the authorisation can be new shares or shares in Kreate's possession.

The authorisation can be used for the financing or execution of acquisitions or other business arrangements, to strengthen the balance sheet and financial position of the company, for implementing the company's share-based incentive plans, or for other purposes determined by the Board of Directors.

Under the authorisation, the Board of Directors may resolve upon issuing new shares, without consideration, to Kreate itself. However, Kreate, together with its subsidiaries, may not at any time own more than 10 percent of all shares in Kreate.

The Board of Directors is authorised to resolve on all terms for share issues and granting of special rights entitling to Kreate shares. The Board of Directors is authorised to resolve on a directed share issue and

issuance of special rights entitling to shares in deviation from the shareholders' pre-emptive right, provided that there is a weighty financial reason for Kreate to do so.

The authorisation is valid until the end of the next Annual General Meeting, however, no longer than until 30 June 2022. The authorisation shall revoke previous unused share issue authorisations.

**Authorisation of the Board of Directors to resolve on the acquisition of Kreate's own shares and on acceptance as pledge of Kreate's own shares**

The Board of Directors proposes that the Annual General Meeting authorises the Board of Directors to resolve on the acquisition of Kreate's own shares and on the acceptance as pledge of Kreate's own shares as follows:

The total number of own shares to be acquired or accepted as pledge shall not exceed 898,000 shares in total. Kreate together with its subsidiaries may not at any moment own and/or hold as pledge more than 10 percent of all the shares in Kreate. Only the unrestricted equity of Kreate can be used to acquire own shares on the basis of the authorisation.

Own shares can be acquired, in one or several instalments, at a price formed in public trading on the regulated market on which Kreate's shares are traded on the date of the acquisition or otherwise at a price formed on the market.

The Board of Directors of Kreate resolves how own shares will be acquired and accepted as pledge. Own shares can be acquired using derivatives, among other things. Own shares can be acquired otherwise than in proportion to the shareholdings of the shareholders (directed acquisition).

Own shares can be acquired and accepted as pledge to, among other things, limit the dilutive effects of share issues carried out in connection with possible acquisitions, to develop Kreate's capital structure, to be transferred in connection with possible acquisitions, to be used in incentive arrangements or to be cancelled, provided that the acquisition is in the interest of Kreate and its shareholders.

The authorisation is valid until the end of the next Annual General Meeting, however no longer than until 30 June 2022. The authorisation shall revoke previous unused authorisations regarding acquisition of Kreate's own shares and on acceptance as pledge of Kreate's own shares.