

## **QT GROUP PLC**

### **PROPOSALS BY THE BOARD OF DIRECTORS AND ITS COMMITTEES TO ANNUAL GENERAL MEETING TO BE HELD ON 14 MARCH 2017**

#### **RESOLUTION ON PAYMENT OF DIVIDEND**

Based on balance sheet dated December 31, 2016, Qt Group Plc's free stockholder's equity was 5,931,863 EUR, and of such amount the loss for the ended accounting period was 2,788,346 EUR. The Board proposes to the Annual General Meeting that based on the balance sheet to be adopted for the accounting period ended December 31, 2016 no dividend will be paid.

#### **RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

The Board's Compensation and Nomination Committee proposes to the Annual General Meeting that that the monthly remuneration payable to the Board Members to be elected for the term until the close of Annual General Meeting 2018 shall be EUR 2,500, to the Vice Chairman of the Board EUR 3,500 and EUR 5,500 to the Chairman of the Board. In addition, Chairman of each Board Committee will receive a meeting fee of EUR 1,000 for every Committee meeting and in all other respects all Board Members will receive a meeting fee of EUR 500 for every meeting of the Board and Board Committee. In addition to the above mentioned fees the ordinary and reasonable expenses of Board member will be remunerated according to the invoice.

#### **RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS**

The Board's Compensation and Nomination Committee proposes to the Annual General Meeting that the number of Board members will be five.

#### **ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS**

The Board's Compensation and Nomination Committee proposes to the Annual General Meeting that the current Members of the Board, namely Robert Ingman, Matti Rossi, Leena Saarinen, Tommi Uhari and Kai Öistämö, who have agreed to accept the positions in question, will be appointed to Qt Group Plc's Board of Directors until the end of the next AGM in spring 2018.

#### **RESOLUTION ON THE REMUNERATION OF THE AUDITOR**

The Board's Audit Committee proposes to the Annual General Meeting that the company's auditor will be reimbursed according to the auditor's reasonable invoice.

#### **AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE AND/OR DISTRESS OF THE COMPANY'S OWN SHARES**

The Board proposes that the Annual General Meeting authorize the Board to decide on the repurchase and/or distress of a maximum of 2,000,000 of company's own shares by using funds in the unrestricted equity. The proposed amount is less than 10% of all the shares.

Repurchase of company's own shares can be done only by using company's free stockholder's equity.

The Board shall decide on how the shares will be repurchased. The shares may be repurchased in another proportion than that of the shares held by the current shareholders. The authorization also includes the acquisition of shares through public trading organized by NASDAQ OMX Helsinki Oy in accordance with its and Euroclear Finland Oy's rules and instructions, or through offers made to shareholders.

The shares may be repurchased in order to improve the capital structure of the company, finance or carry out acquisitions or other arrangements, to carry out company's share-based incentive schemes, or to be transferred for other purposes, or to be cancelled. The shares shall be repurchased for a price based on the fair value quoted in public trading.

Otherwise the Board is authorized to decide on all the terms relating to the purchase of company's own shares.

The authorization shall be valid for 18 months from the issue date of the authorization, i.e. until September 14, 2018 and it replaces any earlier authorizations on repurchase and/or distress of company's own shares.

#### **AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON A RIGHTS ISSUE**

The Board proposes that the Annual General Meeting authorize the Board to decide on issuance of a total maximum of 4,500,000 new shares or treasury shares in one or several share issues subject to a fee and pursuant to the pre-emptive subscription rights of the shareholders.

The authorization includes the Board of Directors' right to decide on all terms relating to the share issue(s).

The authorization shall be valid until December 31, 2017 and it shall not replace any earlier authorizations on share issue and granting of special rights.

#### **AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON A SHARE ISSUE AND GRANTING OF SPECIAL RIGHTS ENTITLING TO SHARES**

The Board proposes that the Annual General Meeting authorize the Board to decide on share issue and granting of special rights prescribed in Chapter 10 Section 1 of the Companies Act, subject to or free of charge, in one or several installments on the following terms:

The maximum total number of shares to be issued by the virtue of authorization is 2,000,000. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares.

By virtue of the authorization, the Board of Directors is entitled to decide on share issues and granting of special rights waiving the pre-emptive subscription rights of the shareholders (directed issue).

The authorization may be used in order to finance or carry out acquisitions or other arrangements, to carry out company's share-based incentive schemes and to improve the capital structure of the company, or to be used for other purposes decided by the Board of Directors. The authorization includes the Board of Directors' right to decide on all terms relating to the share issue and granting of special rights, including subscription price, its payment and its entry into the company's balance sheet.

The authorization shall be valid for 18 months from the issue date of the authorization, i.e. until September 14, 2018 it shall not replace any earlier authorizations on share issue and granting of special rights.