

TELESTE CORPORATION STOCK EXCHANGE RELEASE 9 MARCH 2022 AT 17:00 EET  
TELESTE CORPORATION NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of Teleste Corporation (the "Company") will be held on Wednesday, April 6, 2022, starting at 2:00 p.m. The meeting will be held under special arrangements without the presence of shareholders or their proxy representatives at the Company's headquarters in Kaarina, Telestenkatu 1, 20660 Littoinen.

The Company's Board of Directors has decided on an exceptional meeting procedure based on the temporary legislation approved by Finnish Parliament on 8 May 2021 ("Temporary Act"). In order to limit the spread of the COVID-19 pandemic, the Annual General Meeting will be held without the presence of shareholders or their proxy representatives at the venue. This is a necessary measure to organize the Annual General Meeting in a predictable manner, taking into account the health and safety of shareholders, company personnel and other stakeholders.

The Company's shareholders and their proxy representatives may participate in the meeting and exercise their shareholder rights only by voting in advance and submitting counterproposals and questions in advance in accordance with this notice and the Company's other instructions. It is not possible to attend the meeting on site or to follow the meeting through a video stream. The instructions for shareholders can be found in Section C, "Instructions for participants in the Annual General Meeting" of this notice.

The Company will organize a virtual event for its pre-registered shareholders after the Annual General Meeting, starting at 3:00 p.m., during which it is possible to ask questions from the President and CEO of the Company. The event will start with a presentation by the President and CEO. The presentation of the President and CEO will also be published on the Company's website after the event. Instructions to participate in the event and other related information can be found from the Company's website [www.teleste.com/AGM](http://www.teleste.com/AGM). The event is not part of Annual General Meeting. Questions referred to in Chapter 5, Section 25 of the Limited Liability Companies Act must be issued in advance pursuant to Section C, "Instructions for participants in the Annual General Meeting" of this notice.

**A. MATTERS ON THE AGENDA OF THE ANNUAL GENERAL MEETING:**

**1 § Opening of the meeting**

**2 § Calling the meeting to order**

Olli Nikitin, Attorney-at-Law, will chair the meeting. If, for weighty reasons, Olli Nikitin does not have the opportunity to act as chairman, the Board of Directors shall appoint a person it deems most suitable to act as Chairman. The Chairman may appoint a secretary for the meeting.

**3 § Election of person to examine the minutes and supervise the counting of votes**

Teemu Linnell, Legal Counsel, will act as the examiner of the minutes and the supervisor for the counting of votes. If, for weighty reasons, Teemu Linnell does not have the opportunity to act as the examiner of the minutes and supervisor for the counting of votes, the Board of Directors shall appoint a person it deems most suitable to act as the examiner of the minutes and supervisor for the counting of votes.

**4 § Recording the legality of the meeting**

**5 § Recording the attendance at the meeting and the list of votes**

Shareholders who have voted in advance during the advance voting period and who have the right to participate in the Annual General Meeting pursuant to Chapter 5, Sections 6 and 6a of the Finnish Limited Liability Companies Act are considered to be shareholders participating in the meeting. The list of votes will be adopted based on the information provided by Euroclear Finland Ltd.

**6 § Presentation of the 2021 Financial Statements, the Consolidated Financial Statements, the Auditors' Report and the Report of the Board of Directors**

The Company's Annual Report, which includes the Company's Financial Statements, the Report of the Board

of Directors as well as the Auditor's Report and which is available on the Company's website no later than three weeks before the Annual General Meeting, will be deemed to have been presented to the Annual General Meeting under this item.

## **7 § Adoption of the Financial Statements, including the adoption of the Consolidated Financial Statements**

## **8 § Resolution on the use of the profit shown on the balance sheet and the payment of a dividend**

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.14 per share be paid based on the adopted balance sheet for the financial period that ended on December 31, 2021 for shares other than those held by the Company. The dividend will be paid to shareholder who on the record date of dividend payment April 8, 2022 is registered in the Company's shareholders' register maintained by Euroclear Finland Ltd. The dividend will be paid on April 19, 2022.

## **9 § Resolution on the discharge of the members of the Board of Directors and the President and CEO from liability**

## **10 § Remuneration Report**

The Board of Directors proposes that the Remuneration Report of the Company's governing bodies for 2021 be approved. The resolution is advisory in accordance with the Finnish Limited Liability Companies Act.

The Remuneration Report is available on the Company's website at [www.teleste.com/AGM](http://www.teleste.com/AGM) on 16 March 2022 at the latest.

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

The Shareholders' Nomination Board proposes to the Annual General Meeting that the number of members of the Board of Directors remain unchanged and be confirmed as six (6).

## **12 § Resolution on the remuneration of the members of the Board of Directors**

The Shareholders' Nomination Board proposes to the Annual General Meeting that the remuneration remain unchanged, and that the following annual remuneration will be paid to the members of the Board of Directors elected at the Annual General Meeting: EUR 66,000 per year for the Chairman and EUR 33,000 per year for each member. The annual remuneration of the Board member who acts as the Chairman of the Audit Committee shall be EUR 49,000 per year.

It is proposed that out of the annual remuneration to be paid to the Board members, 40 % of the total gross remuneration amount will be used to purchase Teleste Corporation's shares for the Board members through trading on a regulated market organized by Nasdaq Helsinki Ltd, and the rest will be paid in cash.

No separate meeting fee is to be paid to the members of the Board of Directors or the Chairman of the Audit Committee. A meeting fee of EUR 400 per meeting is to be paid to the members of the Board of Directors' Audit Committee for those Audit Committee meetings that they attend.

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

The Shareholders' Nomination Board proposes to the Annual General Meeting that the current members of the Board be re-elected for the new term of office, extending until the end of the next Annual General Meeting: Timo Luukkainen, Jussi Himanen, Vesa Korpimies, Mirel Leino-Haltia, Heikki Mäkijärvi and Kai Telanne.

All have been assessed to be independent of the Company and of its significant shareholders except for Timo Luukkainen and Vesa Korpimies, who have been assessed to be independent of the Company but not independent of its significant shareholder on the following grounds: Timo Luukkainen is the Chairman of the Board of Directors of Tianta Oy and Vesa Korpimies is the President and CEO and a member of the Board of Directors of Tianta Oy.

All the proposed members of the Board of Directors have given their consent for election.

#### **14 § Resolution on the number of auditors**

The Board of Directors proposes, in accordance with the recommendation of the Audit Committee, that one (1) auditor be elected for the Company.

#### **15 § Resolution on the remuneration of the auditor**

The Board of Directors proposes, in accordance with the recommendation of the Audit Committee, that auditor's compensation is paid against an invoice approved by the Company.

#### **16 § Election of the auditor**

The Board of Directors proposes, in accordance with the recommendation of the Audit Committee, that the auditing firm PricewaterhouseCoopers Oy be elected as the Company's auditor for a term lasting until the end of the next Annual General Meeting. PricewaterhouseCoopers Oy has confirmed that Markku Launis, APA, would serve as the principal auditor, provided that the PricewaterhouseCoopers Oy will be elected as the Company's auditor.

#### **17 § Authorizing the Board of Directors to decide on the repurchase of the Company's own shares**

The Board of Directors proposes that the Annual General Meeting would resolve on authorizing the Board of Directors to decide on repurchasing of a maximum of 1,200,000 own shares of the Company.

The Company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using non-restricted equity through trading on the regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition.

The shares shall be repurchased and paid for in accordance with the rules of Nasdaq Helsinki Ltd and Euroclear Finland Ltd.

The shares shall be repurchased for use as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments or as part of the Company's incentive program or to be held by the Company, to be conveyed by other means or to be cancelled.

The Board of Directors shall decide on other terms and conditions related to the repurchase of the Company's own shares.

The repurchase authorization shall be valid for eighteen (18) months from the resolution of the Annual General Meeting. The repurchase authorization revokes previously granted repurchase authorizations.

#### **18 § Authorizing the Board of Directors to decide on the issuance of shares and special rights entitling to shares**

The Board of Directors proposes to the Annual General Meeting that the Board of Directors would be granted authorization to decide

- (i) issuing new shares and/or
- (ii) conveying the Company's own shares held by the Company and/or
- (iii) granting special rights referred to in Chapter 10, Section 1 of the Limited Liability Companies Act under the following conditions:

Right to shares:

The new shares may be issued and the Company's own shares held by the Company may be conveyed

-to the Company's shareholders in proportion to their current shareholdings in the Company, or

-by waiving the shareholder's pre-emption right, through a directed share issue if the Company has a weighty financial reason to do so, such as using the shares as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments or using shares as part of Company's incentive program.

The new shares may also be issued in a Free Share Issue to the Company itself.

Share issue against payment and for free:

New shares may be issued and the Company's own shares held by the Company may be conveyed either against payment ("Share Issue Against Payment") or for free ("Free Share Issue"). A directed share issue may be a Free Share Issue only if there is an especially weighty financial reason both for the Company and with regard to the interests of all shareholders in the Company.

Maximum number of shares:

Based on the authorization, the Board of Directors is entitled to decide on the issuance of new shares and/or conveyance of the Company's own shares held by the Company so that a maximum of 2,000,000 shares may be issued and/or conveyed in total.

Granting of special rights:

The Board of Directors may grant special rights referred to in Chapter 10, Section 1 of the Limited Liability Companies Act, which carry the right to receive against payment new shares or own shares held by the Company. The right may also be granted to the Company's creditor in such a manner that the right is granted on condition that the creditor's receivable is used to set off the subscription price ("Convertible Bond").

The maximum number of new shares that may be subscribed and own shares held by the Company that may be conveyed by virtue of the special rights granted by the Company is 1,000,000 shares in total which number is included in the maximum number stated in the section 'Maximum number of shares'.

Recording of the subscription price:

The subscription price of the new shares and the consideration payable for the Company's own shares shall be recorded under the invested non-restricted equity fund.

Other terms and validity:

The Board of Directors shall decide on all other terms and conditions related to the authorizations.

The authorizations shall be valid for eighteen (18) months from the resolution of the Annual General Meeting. The authorizations revoke previously granted authorizations to decide on the issuance of shares and special rights entitling to shares.

## **19 § Closing of the meeting**

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

This notice, containing the proposals made to the Annual General Meeting in its entirety, is available on Teleste Corporation's website at [www.teleste.com/AGM](http://www.teleste.com/AGM) and at the Company's headquarters, Telestenkatu 1, 20660 Littoinen. Teleste Corporation's Financial Statements, Consolidated Financial Statements, the Report of the Board of Directors and the Auditor's Report as well as Remuneration Report will be available on the above-mentioned website no later than March 16, 2022. The minutes of the Annual General Meeting will be available on the above-mentioned website no later than April 20, 2022.

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

In order to limit the spread of the COVID-19 pandemic, the Annual General Meeting will be held without the presence of shareholders or their proxy representatives at the venue. The Company's shareholders and their

proxy representatives may participate in the meeting and exercise their shareholder rights only by voting in advance and submitting counterproposals and questions in advance in accordance with the Temporary Act.

A shareholder or proxy representative cannot participate in the meeting via a real-time online web stream either.

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

Each shareholder, who is registered on Friday, March 25, 2022, in the shareholders' register of the Company maintained by Euroclear Finland Ltd, has the right to participate in the Annual 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.

### **2. Registration and advance voting of a shareholder entered in the shareholders' register**

Registration and advance voting will begin on March 16, 2022, when the deadline for submitting counterproposals for voting has expired, and the Company has published any counterproposals for voting on the Company's website. A shareholder entered in the Company's shareholder register wishing to participate in the Annual General Meeting must register for the Annual General Meeting and vote in advance no later than March 29, 2022 at 10:00 a.m., by which time the registration and votes must be received.

Shareholders holding a Finnish book-entry account may register and vote in advance between March 16, 2022, and March 29, 2022 at 10:00 a.m. in the following ways:

a) Via the Company's website [www.teleste.com/AGM](http://www.teleste.com/AGM)

For registration and advance voting, strong electronic identification (bank IDs or mobile certificate) is required for natural persons, as well as a business ID and book-entry account number for legal entities.

b) By post or e-mail

A shareholder voting in advance by post or e-mail must submit the advance voting form available on the Company's website [www.teleste.com/AGM](http://www.teleste.com/AGM) to Euroclear Finland Oy by post to Euroclear Finland Ltd, Annual General Meeting/Teleste Corporation, PO Box 1110, FI-00101 Helsinki or by e-mail to [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu).

If a shareholder participates in the Annual General Meeting by submitting advance votes by post or e-mail to Euroclear Finland Ltd, submitting votes before the deadline for registration and advance voting is considered registration to the Annual General Meeting, provided that the shareholder's e-mail contains the information required for registration.

In connection with the registration, the requested information, such as the shareholder's name, personal identity number and contact information, must be provided. The personal data provided by shareholders in connection with the registration will only be used in connection with the Annual General Meeting and the processing of the necessary registrations related thereto.

Voting instructions for all shareholders are available on the Company's website at [www.teleste.com/AGM](http://www.teleste.com/AGM). Further information is also available during the registration period by phone at +358 (0)2 2605 611 Monday to Friday from 9:00 a.m. to 4:00 p.m.

### **3. Proxy representative and powers of attorney**

A shareholder may participate in the Annual General Meeting and exercise their rights at the meeting by way of proxy representation.

The proxy representative of the shareholder shall produce a dated proxy document or otherwise prove in a reliable manner their right to represent the shareholder. If the shareholder participates in the Annual General Meeting by several proxy representatives, who represent the shareholder with shares on separate securities accounts, the shares with which each representative represents the shareholder shall be notified in connection with the registration.

A proxy document and voting instructions templates will be made available on the Company's website at [www.teleste.com/AGM](http://www.teleste.com/AGM) no later than March 16, 2022 when the deadline for submitting counter-proposals for voting has expired, and the Company has published any counter-proposals for voting on the Company's website.

A shareholder who does not vote in advance may use the proxy service provided by the Company free of charge and authorize Attorney-at-law Veli Siitonen of Merilampi Attorneys Ltd. or another lawyer appointed by him independent of the Company to represent the shareholder and exercise their voting right at the meeting in accordance with voting instructions given by the shareholder. The signed proxy document, including the advance voting form, must be submitted to the Attorney-at-law Veli Siitonen by post or e-mail (contact information below) before the end of the registration period and voting time, by which time the said documents must be received.

Additional information on the Company's appointed independent proxy representative can be found on the website <https://www.merilampi.com/ihmiset/specialist-counsels/veli-siitonen> and his contact information is:

Email: [veli.siitonen@merilampi.com](mailto:veli.siitonen@merilampi.com).

Postal address: Merilampi Attorneys Ltd, Veli Siitonen, Keskuskatu 7, FI-00100, Helsinki

Shareholders may participate in the Annual General Meeting and exercise their rights at the meeting through another proxy representative of their choice. The proxy representative chosen by the shareholder must also vote in advance by post or e-mail as described in this invitation (the proxy representative cannot vote through the electronic advance voting system). The proxy representative must submit the proxy document received, including the advance voting form or similar information by post to Euroclear Finland Ltd, Annual General Meeting/Teleste Corporation, PO Box 1110, FI-00101 Helsinki or by e-mail [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu) before the end of the registration period and voting time, by which time the said documents or equivalent information must be received. Submission of a proxy document to Euroclear Finland Ltd before the end of the registration period is considered registration for the Annual General Meeting.

#### **4. Holders of nominee-registered shares**

Holders of nominee-registered shares are entitled to attend the Annual General Meeting based on the shares that would entitle them to be entered in the shareholder register, maintained by Euroclear Finland Ltd, on March 25, 2022. In addition, participation in the Annual General Meeting requires that such shareholders are, based on these shares, temporarily entered in the shareholder register maintained by Euroclear Finland Ltd no later than April 1, 2022, at 10:00 a.m. (EET). For nominee-registered shares, this will be considered as a registration to participate in the Annual General Meeting.

Shareholders with nominee-registered shares are encouraged to request their custodian bank for the necessary instructions concerning temporary registration with the shareholders' register, issuing proxy documents, and registration for the Annual General Meeting in good time. The account manager of the custodian bank must register a shareholder with nominee-registered shares temporarily into the shareholders' register of the Company at the latest by the time stated above and arrange voting on behalf of a shareholder with nominee-registered holdings.

#### **5. Making of counterproposals to the proposed resolutions and sending questions in advance**

Shareholders who hold at least one hundredth of all the shares in the Company within the meaning of the Temporary Act have a right to make a counterproposal on the items on the agenda of the Annual General Meeting, to be placed for a vote. Such counterproposals are required to be sent to the Company by email to [investor.relations@teleste.com](mailto:investor.relations@teleste.com) no later than by March 14, 2022, at 12:00 noon. In connection with making a

counterproposal, shareholders are required to provide adequate evidence of their shareholding. The counterproposal will be placed for a vote subject to the shareholder having the right to participate in the Annual General Meeting, shareholder's registration for the Annual General Meeting and that the shareholder holds at least one hundredth of all shares in the Company on the record date of the Annual General Meeting. Should the counterproposal not be placed for a vote at the Annual General Meeting, advance votes in favor of the counterproposal will not be taken into account. The Company will publish the counterproposals, if any, that may be voted on the Company's website at [www.teleste.com/AGM](http://www.teleste.com/AGM) no later than by March 16, 2022.

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 meeting until March 22, 2022, by email to [investor.relations@teleste.com](mailto:investor.relations@teleste.com). Such questions from shareholders, the Company's management's answers to them, and any counterproposals that have not been placed for a vote will be made available on the Company's website [www.teleste.com/AGM](http://www.teleste.com/AGM) no later than March 28, 2022. In order to ask questions or make counterproposals, shareholders are required to provide adequate evidence of their shareholding.

## **6. Other information**

Changes in shareholding after the record date of the Annual General Meeting do not affect the right to participate in the Annual General Meeting or the number of votes of the shareholder.

The total number of shares in Teleste Corporation on the date of this notice of the Annual General Meeting is 18,985,588, representing an equivalent number of votes.

Turku, March 9, 2022

TELESTE CORPORATION

Board of Directors

### **FURTHER INFORMATION:**

Esa Harju  
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