

## **Resolutions of the Extraordinary General Meeting of Evli Bank Plc held on 22 December 2021**

EVLI BANK PLC STOCK EXCHANGE RELEASE 22 December 2021 AT 15.30 EET

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Evli Bank Plc's Extraordinary General Meeting held on 22 December 2021 has approved the arrangement between Evli Bank Plc ("Evli") and Fellow Finance Plc ("Fellow Finance"), where Evli will demerge through a partial demerger into a new asset management group of companies which will be listed on a stock exchange and into a company that will carry on Evli's banking services and into which Fellow Finance will merge.

### **Demerger**

In order to complete the demerger, the General Meeting resolved to approve the partial demerger in accordance with the demerger plan dated 30 September 2021 and approved by the Board of Directors of Evli and registered with the Trade Register on 1 October 2021 (the "Demerger Plan") and to approve the proposals of the Board of Directors in order to complete the following matters in relation to the completion of the demerger:

- (a) the establishment of Evli Plc and the approval of the Articles of Association;
- (b) the composition of the Board of Directors of Evli Plc and on the remuneration paid to the members of the Board of Directors;
- (c) the election and remuneration of the auditor of Evli Plc;
- (d) the issuance of A shares and B shares in Evli Plc to the shareholders of Evli as demerger consideration;
- (e) authorisation of the Board of Directors of Evli Plc to issue shares and special rights entitling to shares in Evli Plc;
- (f) authorisation of the Board of Directors of Evli Plc to decide on the repurchase of Evli Plc's own shares;
- (g) authorisation of the Board of Directors of Evli Plc to decide on a share issue for establishing a share-based incentive plan with similar terms as Evli's incentive plan currently in force; and
- (h) the decrease of Evli's share capital and the dissolution of the share premium reserve.

Resolutions that are conditional on the completion of the demerger will enter into force in connection with the registration of the completion of the demerger. The planned completion date of the demerger is 2 April 2022. The completion date may change in accordance with the Demerger Plan.

In accordance with the Demerger Plan, Evli will demerge so that all assets and liabilities relating to Evli's asset management services, custody, clearing and settlement, and trading services and their support services (i.e. the operations falling under the investment services authorisation) will transfer without a liquidation procedure to Evli Plc, a company to be incorporated in the demerger as set forth in the Demerger Plan, through a partial demerger in accordance with the Finnish Companies Act (624/2006, as amended) and the Act on Commercial Banks and Other Credit Institutions in the Form of a Limited Company (1501/2001, as amended). The demerging company will retain the assets and liabilities relating to banking services, i.e. the operations falling under the credit institution licence.

In addition to the other matters described in the Demerger Plan, the resolution on the merger included the following key matters described in more detail in the Demerger Plan:

#### *(a) The establishment of Evli Plc, and the approval of the Articles of Association*

Evli Plc as the receiving company in the demerger is established in connection with the registration of the completion of the demerger. It has been proposed that the trade name of the company be Evli Oyj (in English: Evli Plc), and the company's proposed Articles of Association are included in full as an appendix to the Demerger Plan.

#### *(b) The number of the members of the Board of Directors of Evli Plc, election of the members of the Board of Directors and remuneration to be paid to the members of the Board of Directors*

In accordance with the proposal of the Board of Directors of Evli, the General Meeting resolved to elect five (5) members to the Board of Directors of Evli Plc. Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingman and Teuvo Salminen were elected as members of the Board of Directors for a term starting on the registration date of the completion of the demerger and ending at the end of the first Annual General Meeting following the registration date.

The General Meeting resolved that the members of the Board of Directors shall be paid the following remuneration for the term ending at the end of the next Annual General Meeting:

- chairperson of the Board, EUR 7,500.00 per month,
- committee chairpersons EUR 6,000.00 per month, and
- each member of the Board, EUR 5,000.00 per month.

*(c) Election of the auditor of Evli Plc and the remuneration paid to the auditor*

PricewaterhouseCoopers Oy was elected as the auditor of the company, with Jukka Paunonen acting as the responsible auditor. The auditor will be reimbursed in accordance with the auditors' reasonable invoice approved by the Board of Directors of Evli Plc.

*(d) Demerger consideration*

In accordance with the Demerger Plan, the shareholders of Evli shall receive as demerger consideration one (1) new A share of Evli Plc for each A share owned in Evli and one (1) B share of Evli Plc for each B share owned in Evli, that is, the demerger consideration shall be issued to the shareholders of Evli in proportion to their existing shareholding with a ratio of 1:1.

Evli Plc has two (2) share classes (A shares and B shares). The shares of Evli Plc do not have a nominal value.

No other consideration shall be issued to the shareholders of Evli in addition to the aforementioned demerger consideration to be issued in the form of shares in Evli Plc.

*(e) Authorisation to issue shares and special rights entitling to shares in Evli Plc*

In accordance with the proposal of the Board of Directors, the General Meeting resolved to authorise the Board of Directors of Evli Plc to decide on the issuance of shares and special rights entitling to shares as referred to in Chapter 10, section 1 of the Limited Liability Companies Act in one or more tranches either against payment or free of charge.

The maximum number of shares to be issued or transferred based on the authorisation, including the shares received on the basis of the special rights, is 2,410,942 of Evli Plc's class B Shares in total. The proposed number of shares corresponds to approximately 10 percent of the company's shares as at the date of the notice convening the general meeting. However, a maximum of 241,094 of Evli Plc's class B shares of the aforementioned maximum amount can be issued for use as part of the company's share-based incentive plans, which corresponds to approximately 1 percent of the total number of all shares in the company at the date of the notice convening the general meeting.

The authorisation entitles the Board of Directors to decide on all terms of the issuance of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription right. The Board of Directors can decide to issue either new shares or treasury shares potentially held by the company.

The authorisation is valid until the end of the next Annual General Meeting, however, no longer than until 30 June 2023.

*(f) Authorisation to decide on repurchase of Evli Plc's own shares*

In accordance with the proposal of the Board of Directors, the General Meeting resolved to authorise the Board of Directors of Evli Plc to decide on the repurchase of Evli Plc's own class A Shares and class B shares in one or more tranches as follows:

The maximum number class A Shares that can be repurchased is 1,463,526 shares, and the maximum number of B Shares that can be repurchased is 947,416 shares. The proposed number of shares corresponds to approximately 10 percent of the company's shares as at the date of the notice convening the general meeting.

The company's own shares can only be repurchased based on the authorisation using the company's unrestricted equity.

The Board of Directors resolves on the manner in which shares are to be repurchased. Shares may be repurchased using, inter alia, derivatives. The company's own shares can be acquired other than in proportion to the shareholdings of the shareholders (directed acquisition). Shares can be repurchased at the price of the class B Share determined in public trading organised by Nasdaq Helsinki Ltd on the repurchase date.

The authorisation is valid until the next Annual General Meeting, however no longer than until 30 June 2023.

*(g) Authorisation to decide on a share issue for establishing a share-based incentive plan*

In accordance with the proposal of the Board of Directors, the General Meeting resolved to authorise the Board of Directors of Evli Plc to establish incentive plans for Evli Plc and its employees that correspond Evli's existing and registered incentive plans.

The General Meeting authorised the Board of Directors of Evli Plc to decide on the issuance of shares and special rights entitling to shares as referred to in Chapter 10, section 1 of the Limited Liability Companies Act in one or more tranches either against payment or free of charge. The authorisation will be used for carrying out the company's share-based incentive plans.

The maximum number of shares to be issued or transferred based on the authorisation, including the shares received on the basis of the special rights, is 733,338 of Evli Plc's class B Shares in total.

The authorisation will entitle the Board of Directors to decide on all terms of the issuance of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription right. The Board of Directors can decide to issue either new shares or treasury shares potentially held by the company.

The authorisation is valid until the end of the next Annual General Meeting, however, no longer than until 30 June 2023.

*(h) Decrease of share capital and dissolution of share premium reserve*

The share capital of Evli is decreased in connection with the demerger by an amount equalling Evli Plc's share capital, i.e. to EUR 6,448,637.65. The amount by which the share capital of Evli is decreased shall be used to transfer funds to Evli Plc. The proposed share capital of Evli Plc is EUR 23,745,459.66. In connection with the demerger, Evli's share premium reserve will be dissolved and these funds will be transferred to Evli Plc's reserve for invested unrestricted equity.

## **The merger**

In order to complete the combination, the General Meeting resolved to approve the absorption merger of Fellow Finance into Evli in accordance with the merger plan dated 30 September 2021 and approved by the Board of Directors of Evli and Fellow Finance, registered with the Trade Register on 1 October 2021 (the "Merger Plan") and to approve the proposals of the Board of Directors in order to complete the following matters in relation to the execution of the merger:

- (a) the amendment of Evli's Articles of Association and the combination of Evli's class A shares and class B shares into one share class;
- (b) the composition of the Board of Directors of Evli and on the remuneration paid to the members of the Board of Directors;
- (c) the election and remuneration of the auditor of Evli;
- (d) the issuance of shares in Evli to the shareholders of Fellow Finance as merger consideration; and
- (e) the establishment of a Shareholders' Nomination Board.

Resolutions that are conditional on the completion of the merger will enter into force in connection with the registration of the completion of the merger. The planned completion date of the merger is 2 April 2022. The completion date may change in accordance with the Merger Plan.

In accordance with the Merger Plan, Fellow Finance will merge into Evli through an absorption merger so that all assets and liabilities of Fellow Finance will be transferred without a liquidation procedure to Evli as set forth in the Merger Plan.

In addition to the other matters described in the Merger Plan, the resolution on the merger included the following key matters described in more detail in the Merger Plan:

*(a) Amendment of the Articles of Association and combination of share classes*

In accordance with the proposal of the Board of Directors, the General Meeting resolved that, in addition to the other amendments, the Articles of Association of Evli shall be amended in accordance with the Merger Plan as follows:

- (i) Article 1 concerning the company's trade name is amended so that the company's new trade name is Fellow Bank Oyj (in English: Fellow Bank Plc) ("Fellow Bank").
- (ii) Article 2 concerning the company's line of business is amended so as to better reflect the business of the combined company.
- (iii) The class A shares and class B shares of the Company will be combined into one share class by removing Article 4 concerning shares from the Articles of Association.

Upon the completion of the merger Evli's class A and class B shares shall be converted into one share class whereby each share confers one vote. The 20 votes conferred by Evli's class A shares are converted into one vote conferred by a share of the combined class so that after the combination of the share classes each share in Evli confers one (1) vote.

The proposed amended Articles of Association are included in full as an appendix to the Merger Plan.

The amendment will enter into force in connection with the registration of the completion of the merger.

*(b) The number of the members of the Board of Directors of Evli, election of the members of the Board of Directors and remuneration to be paid to the members of the Board of Directors*

The General Meeting resolved that to elect six (6) members to the Board of Directors of Evli. Markku Pohjola, Teuvo Salminen, Lea Keinänen, Kai Myllyneva, Jorma Pirinen and Tero Weckroth were elected as members of the Board of Directors for a term starting on the registration date of the completion of the merger and ending at the end of the first Annual General Meeting following the registration date.

The General Meeting resolved that the members of the Board of Directors shall be paid the following remuneration for the term ending at the end of the next Annual General Meeting:

- chairperson of the Board, EUR 5,000.00 per month,
- committee chairpersons, EUR 4,000.00 per month, and
- other members of the Board, EUR 3,400.00 per month.

*(c) Election of the auditor of Evli and the remuneration paid to the auditor;*

PricewaterhouseCoopers Oy was elected as the auditor of the company, with Jukka Paunonen acting as the responsible auditor. The auditor will be reimbursed in accordance with the auditor's reasonable invoice approved by the Board of Directors of Evli.

*(d) Merger consideration*

In accordance with the Merger Plan, the shareholders of Fellow Finance shall, after the combination of the share classes of Evli described above, receive as merger consideration six (6) new shares in Evli for each share they hold in Fellow Finance.

*(e) Establishment of a Shareholders' Nomination Board*

The General Meeting resolved, conditionally upon the completion of the merger, to establish a permanent Shareholders' Nomination Board to prepare the election and remuneration of the Board of Directors (the "Nomination Board") and confirm the charter for the Nomination.

The main provisions of the charter read as follows:

- The duties of the Nomination Board are to: (i) prepare and present a proposal to the General Meeting for the number of members of the Board of Directors, (ii) prepare and present a proposal to the General Meeting for the Chairperson, Vice Chairperson and members of the Board of Directors, (iii) prepare and present a proposal to the General Meeting for the remuneration of the members of the Board of Directors (including the Chairperson and the Vice Chairperson) in accordance with the remuneration policy for governing bodies, (iv) respond in the General Meeting to the shareholders' questions concerning the proposals prepared by the Shareholders' Nomination Board, (v) prepare and see to it that the Company has up to date principles on the diversity of the Board of Directors and (vi) see to the successor planning for the members of the Board of Directors.
- The Nomination Board has four (4) members. The chairperson of the Company's Board of Directors may participate in the work of the Nomination Board as an expert without the right to participate in the Nomination Board's decision making.
- The members of the Nomination Board are appointed so that the Company's four (4) largest shareholders are entitled to appoint one (1) member each.
- The number of shares owned by the shareholders is determined on the basis of the Company's shareholders' register in accordance with the situation on the last day of August each year.
- The Nomination Board must make its decisions unanimously. If unanimity cannot be reached, the Nomination Board must inform the Board of Directors of this without delay.

### **The increase of the Company's share capital proposed in the Merger Plan immediately after the completion of the merger**

In accordance with the proposal of the Board of Directors, the General Meeting resolved on a share issue, which is conditional upon the completion of the merger. The share issue will be carried out as a directed share issue, i.e. in deviation from the shareholders' pre-emptive subscription right so that shares will be subscribed for by Taaleri Plc, TN Ventures Oy and Evli Plc in accordance with the undertakings they have issued.

The directed share issue will be of the amount of EUR 11,715,469.09 and will be used to strengthen the company's solvency, i.e. CET1 core Tier 1 capital. Therefore, there is a weighty financial reason for deviating from the shareholders' pre-emptive subscription right.

The new shares issued in the directed share issue will be subscribed for and paid immediately after the completion of the merger. The issue shares represent approximately 29.9 percent of all shares in Fellow Bank immediately after the completion of the merger calculated on the basis of the number of shares in Evli and Fellow Finance issued and outstanding on the date of the General Meeting. After the combination of the share classes, a total of 20,005,924 new shares will be issued in the directed share issue so that a total of 4,205,325 shares will be offered for subscription to Taaleri Plc, 512,296 shares to TN Ventures Oy and 15,288,303 shares to Evli Plc. The subscription price of the shares is EUR 0.5856 per share, and the subscription price is determined on the basis of the pricing applied in the Arrangement. The subscription price of the shares must be paid to the Company on the completion date of the merger, at the latest.

The minutes of the General Meeting will be available on the website [www.evli.com/generalmeeting](http://www.evli.com/generalmeeting) as of 5 January 2022 at the latest.

EVLI BANK PLC

Board of directors

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### **Further information:**

Juho Mikola, CFO, Evli Bank Plc, tel. +358 40 717 8888, [juho.mikola@evli.com](mailto:juho.mikola@evli.com)

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