

ANNUAL GENERAL MEETING OF VERKKOKAUPPA.COM OYJ

Time: 31 March 2020 2:00 p.m. EET

Place: Verkkokauppa.com Oyj headquarters, Tyynenmerenkatu 11, Helsinki, Finland

Present: The General Meeting was attended by shareholders, proxy representatives and assistants listed in the list of votes attached hereto ([Appendix 5.2](#))

In addition, Kai Seikku, a member of the Board of Directors, the CEO and technical personnel were present at the General Meeting.

1. Opening of the meeting

Kai Seikku, opened the General Meeting and welcomed the shareholders to the General Meeting.

2. Calling the meeting to order

Attorney at Law Klaus Ilmonen was elected as Chairman of the General Meeting, and he called Robert Tallberg, legal counsel of the company, to act as secretary.

The Chairman explained certain matters of order and procedure relating to the course of the General Meeting.

It was noted that due to the current COVID-19 situation, measures had been taken to carry out the meeting in a safe and secure manner for all present. It was noted that fewer than 10 persons were present and all present were requested to maintain appropriate social distance and follow certain other measures to ensure a safe meeting process.

3. Election of persons to scrutinize the minutes and to supervise the counting of votes

Johan Hägerström and Kai Seikku were elected to scrutinize the minutes and to supervise the counting of the votes.

4. Recording the legality of the meeting

In accordance with § 7 of the Articles of Association, the notice of the General Meeting shall be submitted no earlier than three months before and at least nine days before the record date of the General Meeting. The General Meeting is convened by publishing the notice of the General Meeting on the company's website. In addition, the information of a submitted notice of the General Meeting can be published in a newspaper.

It was noted that the notice of the General Meeting had been published on 4 March 2020 as a company release and on 4 March 2020 on the company's website.

It was noted that the notice of the General Meeting and the proposals made for the General Meeting had been available on the company's website as of 4 March 2020. The Annual Report, which includes the Annual Accounts, Report by the Board of Directors and the Auditor's Report, had been available on the said website as of 4 March 2020. The notice of the General Meeting was attached to the minutes ([Appendix 4](#)).

It was noted that the General Meeting had been convened in accordance with the Articles of Association and the Finnish Companies Act and that the General Meeting was legal and constituted a quorum.

5. Recording the attendance at the meeting and adoption of the list of votes

It was noted that a shareholder who, on the record date of the General Meeting on 19 March 2020, is registered in the shareholders' register of the company held by Euroclear Finland Ltd has the right to participate in the General Meeting.

The Chairman noted that Nordea Bank Abp ("**Nordea**") and Skandinaviska Enskilda Banken AB (publ) Helsinki Branch ("**SEB**") had prior to the General Meeting provided voting instructions given by the nominee-registered shareholders and other shareholders represented by them. The voting instructions were attached to the minutes ([Appendix 5.1](#)). It was further noted that due to the COVID-19 situation, certain other shareholders had provided the company's representative, Robert Tallberg, with proxy and voting instructions prior to the meeting.

It was noted that at the beginning of the General Meeting, 22 shareholders were present, either in person or by proxy, representing in total 28,749,756 shares and votes.

The list of votes as at the beginning of the General Meeting was enclosed to the minutes ([Appendix 5.2](#)). It was noted that the list of votes will be adjusted to correspond to the attendance at the beginning of a possible vote.

It was noted that due to the current COVID-19 situation, Kai Seikku was the only member of the Board of Directors present at the General Meeting. It was further noted that, for the same reason the company's auditor was not present at the General Meeting.

6. Presentation of the Annual Accounts, the Report of the Board of Directors and the Auditor's Report for the Year 2019

The Annual Accounts, Report by the Board of Directors and Auditor's Report for the financial period 1 January – 31 December 2019 were presented ([Appendix 6](#)). It was noted that the company's Annual Accounts, the Report of the Board of Directors and the Auditor's Report had been presented to the General Meeting in accordance with law and the Articles of Association.

7. Adoption of the Annual Accounts

The General Meeting resolved to adopt the Annual Accounts, which includes the profit and loss account and the balance sheet for the financial period 1 January – 31 December 2019.

8. Resolution on the use of the profit shown on the balance sheet and distribution of funds and authorization of the Board of Directors to decide on the distribution of funds

It was noted that the profit for the financial period was EUR 7,810,067.76 and that there are EUR 35,952,543.57 in distributable funds. It is proposed that the profit for the financial period, EUR 7,810,067.76, will be recorded in the retained earnings/losses account.

It was noted that the proposals of the Board of Directors regarding the payment of dividend and authorization of the Board of Directors to decide on the distribution of funds would be made in two separate decisions so that first the General Meeting resolves on the payment of dividend and after that on the authorization of the Board of Directors to decide on the distribution of funds.

8a. It was noted that the Board of Directors had proposed to the General Meeting that the General Meeting resolves that a dividend of EUR 0.052 per share be paid for the 2019 financial period. According to the proposal, the dividend will be paid to a shareholder who on the record date of the dividend payment, 2 April 2020, is registered in the company's shareholders' register held by Euroclear Finland Ltd. According to proposal by the Board of Directors, the dividend be paid on 9 April 2020.

The General Meeting resolved to accept the proposal by the Board of Directors.

8b. It was noted that the Board of Directors had proposed to the General Meeting that the General Meeting authorizes the Board of Directors, in addition to the resolution in item 8a, to further decide at its discretion on the distribution of dividends as follows:

The total amount of the dividend distribution based on this authorization shall not exceed EUR 0.162 per share (the instalments can differ from each other). The authorization is valid until the opening of the next Annual General Meeting. The total aggregate dividend for the 2019 financial period in items 8a and 8b would thus be a maximum of EUR 0.214 per share.

Unless the Board of Directors decides otherwise or the possible changes in the rules and regulations of the Finnish book-entry system require otherwise, the authorization will be used to distribute dividend three times during the period of validity of the authorization and the payment dates of the dividends will be 6 May 2020, 4 August 2020 and 3 November 2020. In this case, the Board of Directors will make separate resolutions on the distribution of dividends. The company will separately publish announcements of such Board resolutions.

The dividend payment based on a resolution of the Board of Directors will be paid to a shareholder who on the record date of the dividend payment is registered in the company's shareholders' register held by Euroclear Finland Ltd. The Board of Directors will decide on the record date in connection with each dividend payment decision.

It was noted that before the Board of Directors implements the resolution regarding distribution of dividend, the Board of Directors must, in accordance with the Finnish Companies Act, assess whether the company's solvency or financial position has changed after the General Meeting so that the requirements for dividend distribution in the Finnish Companies Act are no longer fulfilled. It is a prerequisite for the implementation of the resolution of the Board of Directors regarding distribution of dividend that the requirements in the Finnish Companies Act are fulfilled.

The General Meeting resolved to accept the proposal by the Board of Directors.

9. Resolution on the discharge of the members of the board of directors and the CEO from liability

The General Meeting resolved to discharge the members of the Board of Directors and the CEO from liability for the financial period that ended 31 December 2019.

10. Advisory resolution on the approval of the remuneration policy

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed the Annual General Meeting to approve the Company's remuneration policy.

Kai Seikku presented the remuneration policy to the meeting. The Annual General Meeting approved the Company's remuneration policy. The remuneration policy was attached to the minutes ([Appendix 10](#)).

It was noted that no votes on the matter was demanded and it was recorded that opposing votes of nominee-registered and other shareholders on this agenda item were 925,105.

11. Resolution on the remuneration of the members of the Board of Directors

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed to the General Meeting that the annual fees payable to the members of the Board of Directors elected at the same meeting for a term until the close of the Annual General Meeting of Shareholders in 2021 are the following:

- EUR 70,000 for the Chairman of the Board of Directors, and
- EUR 35,000 for each member of the Board of Directors.

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed that 50 per cent of the annual fee of the Chairman and the members of the Board of Directors be paid in Verkkokauppa.com Oyj shares either purchased from the market or alternatively by using treasury shares held by the company. The purchase of shares or transfer of treasury shares shall be carried out in four equal instalments, each instalment being purchased or transferred within the two-week period beginning on the date following the announcement of each of the company's interim reports and the company's financial statements bulletin for 2020. The company will pay the transaction costs and transfer tax in connection with the purchase or transfer of remuneration shares. The rest of the annual fee would be paid in cash, which is used to cover taxes arising from the fees.

If the shares due in any such instalment cannot be purchased or transferred within the time period indicated above due to legal or other regulatory restrictions or due to reasons related to a Board member, the amount of annual remuneration due for payment in such instalment will be paid fully in cash.

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed that the annual fees payable to the members of the committees of the Board of Directors for the term until the close of the Annual General Meeting of Shareholders in 2021 are the following:

- EUR 12,000 for the Chairman of the Audit Committee
- EUR 10,000 for the Vice Chairman of the Audit Committee
- EUR 6,000 for each member of the Audit Committee
- EUR 8,000 for the Chairman of the Remuneration Committee
- EUR 4,000 for each member of the Remuneration Committee.

The fees of the committees would be paid in cash.

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed that the members of the Board of Directors shall be compensated for reasonable accrued travel and lodging expenses as well as other potential costs related to Board and Committee work.

The General Meeting resolved to accept the proposal by the Nomination and Remuneration Committee.

12. Resolution on the number of members of the Board of Directors

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed to the General Meeting that the number of members of the Board of Directors be six (6) and that no deputy members be elected.

The General Meeting resolved to accept the proposal by the Nomination and Remuneration Committee and hence resolved that the number of members of the Board of Directors is six (6) and that no deputy members be elected.

13. Election of members of the Board of Directors

It was noted that the Board of Directors' Nomination and Remuneration Committee had proposed to the General Meeting that the following persons be re-elected members of the Board of Directors for the term until the close of the next Annual General Meeting: Christoffer Häggblom, Robert Burén, Mikael Hagman, Kai Seikku, Samuli Seppälä and Arja Talma.

The General Meeting resolved to accept the proposal by the Nomination and Remuneration Committee and hence resolved to re-elect Christoffer Häggblom, Robert Burén, Mikael Hagman, Kai Seikku, Samuli Seppälä and Arja Talma as members of the Board of Directors for the term until the close of the next Annual General Meeting.

14. Resolution on the remuneration of the auditor

It was noted that the Board of Directors' Audit Committee had proposed to the General Meeting that the remuneration of the auditor be paid according to the reasonable invoice approved by the Audit Committee of the Board of Directors.

The General Meeting resolved to accept the proposal by the Audit Committee.

15. Election of auditor

It was noted that the Board of Directors' Audit Committee had proposed to the General Meeting that PricewaterhouseCoopers Oy, Authorized Public Accountants, be re-elected as the company's auditor for a term that will continue until the end of the next Annual General Meeting. It was recorded that PricewaterhouseCoopers Oy had notified the company that Ylva Eriksson, Authorized Public Accountant would be the auditor-in-charge.

The General Meeting resolved to accept the proposal by the Audit Committee.

16. Authorization of the Board of Directors to decide on the repurchase of the company's own shares

It was noted that the Board of Directors had proposed that the Annual General Meeting authorizes the Board of Directors to decide on the repurchase of a maximum of 4,506,513 shares in one or several instalments using the unrestricted equity of the company, however taking into account the provisions of the Finnish Companies Act on the maximum number of the treasury shares held by the company or its subsidiaries. The proposed number of shares represents a maximum of ten (10) per cent of the total number of the shares in the company.

The authorization includes the right of the Board of Directors to decide on all other terms and conditions of the repurchase of the shares, including the repurchase of shares in another proportion than that of the existing shareholdings of the shareholders (the directed repurchase). The shares can be repurchased on the trading venues where the company's shares are traded at the market price of the time of the repurchase or at the price otherwise established on the market at the time of the repurchase.

Shares may be repurchased for the purposes of improving the company's capital structure, financing or carrying out corporate acquisitions or other arrangements, implementing prospective incentive and remuneration schemes, or to be otherwise transferred further, retained as treasury shares or cancelled.

The authorization is valid until the close of the following Annual General Meeting, however, no longer than until 30 June 2021. The authorization revokes previous unused authorizations for the repurchase of the company's own shares.

The General Meeting resolved to accept the proposal by the Board of Directors.

17. Authorization of the Board of Directors to decide on the issuance of shares

It was noted that the Board of Directors had proposed that the Annual General Meeting authorizes the Board of Directors to decide on a share issue by one or several decisions. A maximum of 4,506,513 shares may be issued on the basis of the authorization. The proposed maximum authorised number represents ten (10) per cent of the company's entire share capital. The Board of Directors may resolve to issue either new shares or transfer the treasury shares held by the company.

The Board of Directors decides on all the terms and conditions of the share issue, including the deviation from the shareholders' pre-emption rights for a weighty financial reason. The authorization may be used to improve the company's capital structure, to finance or carry out corporate acquisitions or other arrangements, to implement prospective incentive and remuneration schemes or to be used for other purposes decided by the Board of Directors.

The authorization is valid until the close of the following Annual General Meeting, however, no longer than until 30 June 2021. The authorization revokes previous unused share issue authorizations.

The General Meeting resolved to accept the proposal by the Board of Directors.

18. Establishment of the Shareholders' Nomination Board

It was noted that the Board of Directors had proposed to the General Meeting to establish the Shareholders' Nomination Board, to prepare proposals on the election and remuneration of the members of the Board of Directors for the Annual General Meeting and that the Annual General Meeting approves the Charter for the Shareholders' Nomination Board ([Appendix 18](#)).

The Nomination Board consists of four members, three of which represent the Company's three largest shareholders, or the representatives nominated by such shareholders. The Chairperson of the Board of Directors shall be the fourth member of the Nomination Board.

The right to nominate members to represent shareholders rests with three shareholders who are registered in the shareholders' register maintained by Euroclear Finland Ltd or another operator on the last business day of May in the year preceding the Annual General Meeting and who hold the largest number of votes conferred by shares according to the shareholder register.

In the event that a shareholder who has, for example, divided his/her ownership between two or more funds and who has an obligation to take such ownership into account when making notifications regarding changes in ownership under the Securities Market Act (shareholder subject to flagging notification) requests from the Chairperson of the Board of Directors thereof in writing by the last business day of May in the year preceding the Annual General Meeting, the holdings of such shareholder subscribed in several funds or registers are summed up when calculating the proportion of votes of the shareholder. If a holder of nominee registered shares wishes to use his/her right to nominate, they shall present a reliable account of the number of shares in their ownership by the last business day of May in the year preceding the Annual General Meeting.

The Nomination Board is established to serve until further notice. The term of the members of the Nomination Board shall end upon the nomination of the following Nomination Board in accordance with the Charter of the Shareholders' Nomination Board.

The General Meeting resolved to establish the Shareholder's Nomination Board and approve the Charter of the Shareholders' Nomination Board, in accordance with the proposal of the Board of Directors.

19. Closing of the meeting

It was noted that all decisions of the General Meeting were made unanimously, unless set out otherwise in these minutes.

The Chairman noted that the items on the agenda had been attended to and that the minutes of the General Meeting will be available on the company's website at the latest from 14 April 2020.

The Chairman thanked the shareholders as well as the company's management and declared the General Meeting closed at 2:17 p.m. EET.

(Signature page to follow)

Chairman of the General Meeting:

KLAUS ILMONEN

Klaus Ilmonen

In fidem:

ROBERT TALLBERG

Robert Tallberg

Minutes reviewed and confirmed by:

JOHAN HÄGERSTRÖM

Johan Hägerström

KAI SEIKKU

Kai Seikku

APPENDICES

Appendix 4	Notice of the General Meeting
Appendix 5.1	Voting instructions of nominee registered and certain other shareholders
Appendix 5.2	List of votes
Appendix 6	Annual Accounts, Report by the Board of Directors and Auditor's Report
Appendix 10	Remuneration policy
Appendix 18	Charter of the Shareholders' Nomination Board