

EFFECTE PLC -- COMPANY ANNOUNCEMENT -- 8 March 2018 at 14.00

Efecte Plc: Notice to the Annual General Meeting

Notice is given to the shareholders of Efecte Plc to the Annual General Meeting to be held on Thursday 5 April 2018 starting at 12:30 p.m. EET at Innopoli 2, seminar room Edison, at the address Tekniikantie 14, Espoo, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 12:00 EET.

A. MATTERS ON THE AGENDA OF THE ANNUAL GENERAL MEETING

At the Annual General Meeting, the following matters will be considered:

- 1. Opening of the meeting**
- 2. Calling the meeting to order**
- 3. Election of persons to scrutinise the minutes and to supervise the counting of votes**
- 4. Recording the legality of the meeting**
- 5. Recording the attendance at the meeting and adoption of the list of votes**
- 6. Presentation of the Annual Accounts, consolidated financial statements, the report of the Board of Directors and the Auditor's Report for the year 2017**
- Review by the CEO
- 7. Adoption of the Annual Accounts and the consolidated financial statements**
- 8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend**

The Board of Directors proposes to the Annual General Meeting that no dividend be distributed for the financial year that ended on 31 December 2017.
- 9. Resolution on the discharge of the members of the Board of Directors and the CEO from liability**
- 10. Resolution on the remuneration of the members of the Board of Directors**

Efecte Plc's shareholders who in total represent more than 40 % of all of Efecte Plc's shares and votes have proposed that the members of the Board of Directors be paid the following fees for their term of office: the Chairman of the Board be paid EUR 3,000 per month and the other members of the Board of Directors be paid EUR 1,500 per month each.

In addition, the above-mentioned shareholders propose that approximately 40 per cent of the remuneration be paid in Efecte Plc's shares and 60 per cent be paid in cash. Remunerations will be paid by issuing new shares and/or transferring company's own shares to the Board members within two weeks from the release of the business review for 1 January - 31 March 2018 or, if this is not possible taking insider rules into account, as soon as possible thereafter. A member of the Board of Directors is not entitled to sell or transfer the shares received as Board remuneration during three years following the payment of the remuneration.

In addition, the Chairman of the Board and the other members of the Board of Directors be compensated for reasonable travelling costs for attending the Board meetings.

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

The Board of Directors proposes to the Annual General Meeting that six (6) members be elected to the Board.

12. Election of members of the Board of Directors

Efecte Plc's shareholders who in total represent more than 40 % of all of Efecte Plc's shares and votes have proposed that the current members of the Board Pertti Ervi, Niilo Fredrikson, Turkka Keskinen, Kari J. Mäkelä, and Hannu Vaajoensuu be re-elected to the Board for the term until the close of the next Annual General Meeting. The above-mentioned shareholders propose that Päivi Rekonen be elected as a new member to the Board.

The CV of Päivi Rekonen as well as the CVs of all the other persons proposed as Board members are available on the company's website at www.efecte.com. All proposed members have given their consent to the election.

13. Resolution on the remuneration of the auditor

The Board of Directors proposes to the Annual General Meeting that the remuneration of the auditor be paid against an invoice approved by the company.

14. Election of auditor

The Board of Directors proposes to the Annual General Meeting that Ernst & Young Oy, a firm of authorised public accountants, be re-elected as the company's auditor for the term until the close of the next Annual General Meeting. Ernst & Young Oy has notified the company that Authorised Public Accountant Juha Hilmola would be the company's responsible auditor.

15. Authorising the Board to decide on the repurchase of the company's own shares

The Board of Directors proposes that the Annual General Meeting authorise the Board of Directors to resolve to repurchase a maximum of 450,000 shares of the company in one or several instalments by using funds in the unrestricted shareholders' equity. The proposed number of shares corresponds to approximately 8.1 per cent of all shares in the company.

The shares may be repurchased in order to improve the capital structure of the company, to carry out acquisitions or other arrangements related to the company's business, to be transferred or cancelled for other purposes, to be used in the company's incentive plans, or if the Board of Directors otherwise deems it to be in the interest of shareholders.

The price paid for the shares repurchased under the authorisation shall be based on the market price of the company's share in public trading. The minimum price to be paid shall be the lowest market price of the share quoted in public trading during the authorisation period and the maximum price the highest market price quoted during the authorisation period.

The company's own shares may be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

It is proposed that the authorisation be effective until the next Annual General Meeting, however, at the latest until 30 June 2019. The authorisation will revoke the repurchase authorisation granted by the Annual General Meeting on 4 May 2017.

16. Authorising the Board to decide on the issuance of shares

The Board of Directors proposes that the Annual General Meeting authorise the Board of Directors to decide to offer a maximum of 800,000 shares through a share issue in one or several instalments.

The Board may decide to issue new shares or shares held by the company. The maximum number of shares included in the proposed authorisation accounts for approximately 14.5 per cent of the company's shares.

The authorisation includes the right to issue shares through private offering, in other words, to deviate from the shareholders' pre-emptive right subject to the requirements set forth in the law and the right to issue shares against payment or without charge.

Under the authorisation, the Board of Directors will be entitled to decide on the terms and conditions of any share issue, including the recipients of the shares and the compensation to be paid. It is proposed that this authorisation be exercised for purposes determined by the Board of Directors.

It is proposed that the authorisation be effective until the next Annual General Meeting, however, at the latest until 30 June 2019. The authorisation will revoke the share issue authorisations granted by the Annual General Meeting on 4 May 2017 and Extraordinary General Meeting on 4 October 2017.

17. Closing of the meeting

B. DOCUMENTS OF THE ANNUAL GENERAL MEETING

The above-mentioned proposals for decisions relating to the agenda of the Annual General Meeting as well as this notice are available on Efecte Plc's website at www.efecte.com. The Annual Accounts, consolidated financial statements, the Report of the Board of Directors, and the Auditor's Report of Efecte Plc will be available on the above-mentioned website no later than 15 March 2018. The proposals for decisions and other above-mentioned documents are also available at the Annual General Meeting. Copies of these documents and of this notice will be sent to shareholders upon request. The minutes of the meeting will be available on the above-mentioned website as of 19 April 2018 at the latest.

C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE ANNUAL GENERAL MEETING

1. The right to participate and registration

Each shareholder who on the record date of the Annual General Meeting, i.e. 22 March 2018, is registered in the shareholders' register of the company held 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.

A shareholder who is registered in the shareholders' register of the company and wants to participate in the Annual General Meeting shall register for the meeting no later than by 29 March 2018 EET on 10:00 a.m. by giving a prior notice of participation. Such notice can be given:

- on the internet at <https://investors.efecte.com/en>
- by telephone +358 50 306 9913 Mon-Fri from 9:00 a.m. to 4:00 p.m. or
- by regular mail to the address Efecte Plc, Vaisalantie 6, FI-02130 Espoo, Finland.

All registrations must be received by the company no later than by 29 March 2018 EET on 10:00 a.m., irrespective of the method of registration.

In connection with the registration, a shareholder shall notify his/her name, personal identification number or business identification number, address, telephone number, as well as the name of a possible proxy representative or assistant and the personal identification number of the proxy representative. The personal data given to Efecte Plc is used only in connection with the Annual General Meeting and with the processing of related registrations.

2. Holders of nominee-registered shares

A holder of nominee-registered shares has the right to participate in the Annual General Meeting by virtue of such shares based on which he/she would be entitled, on the record date of the Annual General Meeting, i.e. 22 March 2018, to be registered in the shareholders' register of the company held by Euroclear Finland Ltd. In addition, the right to participate in the Annual General Meeting requires that the shareholder has, on the basis of such shares, been temporarily registered in the shareholders' register held by Euroclear Finland Ltd at the latest by 29 March 2018 EET on 10:00 a.m. As regards nominee-registered shares, this constitutes due registration for the Annual General Meeting.

Holders of nominee-registered shares are advised to request without delay necessary instructions regarding the temporary registration in the shareholders' register of the company, the issuing of proxy documents, and preregistration for the Annual General Meeting from their custodian bank. The account manager of the custodian bank shall register a holder of nominee-registered shares who wishes to participate in the Annual General Meeting temporarily in the shareholders' register of the company by the deadline stated above.

3. Proxy representative and powers of attorney

A shareholder may participate in the Annual General Meeting and exercise his/her rights at the meeting by way of proxy representation. A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the Annual General Meeting.

When a shareholder participates in the Annual General Meeting by means of several proxy representatives who represent the shareholder with shares on different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration.

Any proxy documents should be delivered as originals to Efecte Plc, Vaisalantie 6, FI-02130 Espoo, Finland, before the deadline for registration.

4. Other information

Pursuant to Chapter 5, Section 25 of the Companies Act, a shareholder who is present at the Annual General Meeting has the right to request information with respect to the matters to be considered at the meeting.

On the date of this notice to the Annual General Meeting, 8 March 2018, the total number of shares in Efecte Plc is 5,524,101 and the total number of votes in Efecte Plc is 5,524,101.

Espoo, 8 March 2018



EFFECTE PLC

The Board of Directors

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Efecte Plc

Efecte is a Finnish software company that provides cloud-based service and identity management software solutions, as well as related consultancy services. They simplify and improve the efficiency of managing the services, IT systems and infrastructure in an organization. Measured by number of customers, Efecte is one of the leading software vendors in its field to large, medium-sized and public organizations in Finland and the Nordic countries. The Company was founded in 1998. In addition to Finland, it has operations in Sweden, Denmark, and Germany.

www.efecte.com