

Orava Residential REIT plc

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## DECISIONS OF THE ANNUAL GENERAL MEETING OF ORAVA RESIDENTIAL REIT PLC

### Decisions of the Annual General Meeting

The Annual General Meeting of Orava Residential REIT plc was held in Helsinki on 22 March 2016. The Meeting approved the consolidated financial statements and the financial statements of the parent company and granted discharge from liability to those accountable for the financial period 1 January 2015 - 31 December 2015. Discharge from liability was granted to following persons:

Jouni Torasvirta, chairman of the board;

Peter Ahlström, member of the board;

Patrik Hertsberg, member of the board;

Mikko Larvala, member of the board;

Tapani Rautiainen, member of the board;

Veli Matti Salmenkylä, member of the board;

Timo Valjakka, member of the board; and

Pekka Peiponen, executive director

The dividends were approved in accordance with the Board of Director's proposal. The Board of Directors was authorised to decide on dividends per share of no more than EUR 1.08 according to the following table.

| ISIN code    | Dividend right | Shares (pcs) | Dividend/y(€)  | Total/y(€)   |
|--------------|----------------|--------------|----------------|--------------|
| FI4000068614 | 100%           | 8,327,567    | 1.08 (at most) | 8,993,772.36 |

A total of EUR 8,993,772.36, at maximum, can be paid as dividends. For each instalment, the dividend to be paid quarterly is no more than EUR 0.27 per share.

The payment dates of the dividends are 4 April 2016, 30 June 2016, 30 September 2016 and 30 December 2016. The Board of Directors was authorised to decide on the amount and payment of dividends quarterly within the above limits, provided that the Company's solvency is not

endangered due to the distribution of dividends. The Board of Directors was authorised to determine the record date for the payment of dividend.

The Annual General Meeting confirmed the remunerations to be paid to the members of the Board of Directors as follows: chairman EUR 2,000 and members EUR 1,200 per month, plus a meeting-specific fee of EUR 600 for the chairman and EUR 300 for a member for each meeting.

The number of members of the Board of Directors was confirmed as six. Mikko Larvala, Tapani Rautiainen, Veli Matti Salmenkylä, Jouni Torasvirta, Timo Valjakka and Patrik Hertsberg were re-elected.

PricewaterhouseCoopers Oy, Authorised Public Accountants, with Tuomas Honkamäki, Authorised Public Accountant, as the chief auditor, were elected as the company's auditor.

### **Authorisation of the Board of Directors to decide on a share issue and the issuance of option rights and other special rights entitling to shares**

The Annual General Meeting decided on granting a share issue authorisation and authorisation to issue option rights and other special rights entitling to shares to the Board of Directors so that, on the basis of the authorisation, the Board of Directors may issue no more than 6,000,000 new shares in the company which carry no right to dividends during 2016. On the basis of the authorisation, the Board of Directors may use directed issues. Shares may be issued in deviation from shareholders' pre-emptive rights through a directed issue if there is a weighty financial reason for it from the point of view of the company, such as developing the company's capital structure or financing or implementing transactions in shares in housing companies. The subscription price of shares may be paid in cash or, instead of cash, in its entirety or partly in subscriptions in kind. The authorisation will valid until the next Annual General Meeting. The authorisation will repeal the previous authorisation given on 19 March 2015.

### **Amending the rules for real estate investment operations**

The Annual General Meeting decided to amend the determination of the performance-based management fee included in the third paragraph of section 11 of the rules for investment operations concerning the management fees and the fees payable for the service in such a way that, as a performance-based management fee, the Trust pays Orava Funds plc twenty per cent (20%) of the Trust's annual return exceeding the hurdle rate of seven per cent (7%) (previously 6%).

Due to amendments to the Finnish Real Estate Funds Act, the Annual General Meeting decided to make a correction to the second paragraph of section 14 of the rules concerning amendments to the rules for real estate investment operations. According to said paragraph, amendments to the rules will enter into force within one month from the date when the shareholders were notified of the amendment by making the information public in accordance with section 10 of the rules concerning the Trust's disclosure obligation and the obligation to disclose information relating to the Trust.

The amended first sentence of the third paragraph of section 11 reads as follows (amendment marked in bold):

As a performance-based management fee, the Trust pays Orava Funds plc twenty per cent (20%) of the Trust's annual return exceeding the hurdle rate of seven per cent (7%). The performance-based management fee is calculated on the basis of earnings per share for the financial period and the number of shares at the end of the financial period.

The amended second paragraph of section 14 reads as follows:

The amendments to the rules will enter into force within one month from the date when the shareholders were notified of the amendment by making the information public in accordance with section 10 of the rules concerning the Trust's disclosure obligation and the obligation to disclose information relating to the Trust.

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