



Released : 12/15/2017

16:00 London, 18:00 Helsinki, 15 December 2017 - Afarak Group Plc ("Afarak" or "the Company") (LSE: AFRK, NASDAQ: AFAGR)

INVITATION TO THE EXTRAORDINARY GENERAL MEETING

Afarak Group Plc invites shareholders to the Extraordinary General Meeting to be held on 5 February 2018, starting at 2:00 p.m. (Finnish time) at Union Square Auditorium (Floor K1) Unioninkatu 22, 00130 Helsinki, Finland.
Registration begins at 1:30 p.m.

A. MATTERS ON THE AGENDA OF THE EXTRAORDINARY GENERAL MEETING:

1. Opening
2. Election of the Chairman and of the Secretary
3. Approval of the Agenda
4. Election of the scrutinizer of the minutes and vote counting supervisor
5. Recording the legality and quorum of the meeting
6. Adoption of voting lists

7. Review by the CEO

8. Delisting from the Helsinki Stock Exchange (Nasdaq Helsinki)

The General Meeting will address the proposal of the shareholder Kermas Limited that the Board of Directors would be requested by the earliest practicable date to present a plan and a time line for an organised process for Company's delisting from the Helsinki Stock Exchange (Nasdaq Helsinki).

9. Demand for conducting a special audit in the Company

The General Meeting will address the demand for conducting a special audit in the Company on the grounds of the request of a group of shareholders, representing 10.86% of shares and voting rights *) pursuant to Chapter 5, Section 4 of the Companies Act to convene a General Meeting.

10. Dismissal of the Board of Directors

The General Meeting will address the Dismissal of the Board of Directors on the grounds of the request of a group of shareholders, representing 10.86% of shares and voting rights pursuant to Chapter 5, Section 4 of the Companies Act to convene a General Meeting.

The opinion of the Board of Directors is that there is no need to address this matter in the General Meeting, due to the fact that all members of the Board of Directors shall resign on 5 February 2018.

11. Election of a new Board of Directors

Thomas Hoyer, a current Board member, has informed the Company that he will not stand for re-election.

12. Closing of the Meeting

*) a group of shareholders, representing 10.86% of shares and voting rights:

Joensuun Kauppa ja Kone Oy, Markku Kankaala, Esa Hukkanen, Petri Suokas, Tomi Hyttinen, Taloustieto Incrementum Ky, Juhani Lemmetti, Kari Kakkonen, Antti Kivimaa, AJ Elite Value Hedge Fund, Aarne Simula and Timo Kankaala.

The proposals of the above mentioned group of shareholders, representing 10.86% of shares and voting rights, relating to the agenda of the General Meeting are attached as Appendix A in this invitation in their entirety.

B. DOCUMENTS OF THE GENERAL MEETING

Documents to be kept on view in accordance with the Finnish Companies Act are available for the shareholders' inspection no later than a week before the Annual General Meeting at the Company's headquarters at the address Unioninkatu 20-22, 00130 Helsinki, Finland. In addition, the documents will be available no later than 21 days before the Annual General Meeting on the Company's website at the address www.afarak.com. Copies of these documents will be sent to the shareholders on request.

The minutes of the Meeting will be available on the above mentioned website at the latest from 19 February 2018.

C. INSTRUCTIONS FOR THE PARTICIPANTS IN THE EXTRAORDINARY GENERAL MEETING

1 Right to attend

A shareholder who no later than on 24 January 2018 is registered as the Company's shareholder in a shareholder register held by Euroclear Finland Ltd has the right to participate in the Extraordinary General Meeting. A shareholder whose shares are registered on his/her personal Finnish book-entry account is registered in the Company's shareholder register.

2 Notice to attend

A shareholder wishing to attend the Extraordinary General Meeting shall give notice to attend the meeting to the Company no later than by 4:00 p.m.Helsinki time on 31 January 2018, either:

- by letter to Afarak Group Plc, Unioninkatu 20-22, 00130 Helsinki, Finland;
- by e-mail to ilmo@afarak.com; or
- by fax to +358 10 440 7001.

The notice shall be at the Company before the deadline of the notice to attend.

In addition to his/her name, a shareholder is also requested to inform the Company of his/her identity number or business ID, address, phone number and the name of a possible representative. The personal data of shareholders shall be used only for purposes related to the general meeting and necessary registration related thereto.

Shareholders attending the general meeting have a right to request information concerning matters which are dealt with by the meeting as stated in the Finnish Companies Act, chapter 5, section 25.

3 Using representative and proxies

A shareholder has a right to attend the meeting and use his rights via a representative. A proxy representative must present a dated proxy or must otherwise, in a reliable way, prove that he/she has a right to represent a shareholder. The Company does not have a proxy template available for shareholders. If a shareholder participates in the Extraordinary General Meeting by means of several proxy representatives representing 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.

Proxy documents should be delivered (as originals) together with the notice to attend to: Afarak Group Plc, Unioninkatu 20-22, 00130 Helsinki, Finland no later than 4:00 p.m. on 31 January 2018.

4 Holders of nominee registered shares

A holder of nominee registered shares is advised to request in good time in advance necessary instructions regarding the registration in the Company's shareholder register, issuing of proxy documents and registration for the Annual General Meeting from his/her custodian bank. The account management organisation of the custodian bank will register a holder of nominee registered shares, who wants to participate in the Annual General Meeting, to be entered into the Company's temporary shareholder register no later than 10:00 a.m. on 31 January 2018.

5 Other instructions and information

Afarak Group Plc has at the date of invitation, 5 December 2017, in total 263,040,695 shares in issue and of which 263,040,695 have voting rights. The company holds in total 3,409,717 shares in treasury.

IN HELSINKI, ON 5 December 2017.

AFARAK GROUP PLC

BOARD OF DIRECTORS

WWW.AFARAK.COM

For additional information, please contact:

Guy Konsbruck, CEO, +356 2122 1566, guy.konsbruck@afarak.com

Jean Paul Fabri, PR Manager, +356 2122 1566, jp.fabri@afarak.com

Financial reports and other investor information are available on the Company's website: www.afarak.com.

Afarak Group is a specialist alloy producer focused on delivering sustainable Growth with a Speciality Alloys business in southern Europe and a FerroAlloys business in South Africa. The Company is listed on NASDAQ Helsinki (AFAGR) and the Main Market of the London Stock Exchange (AFRK).

Distribution:
NASDAQ Helsinki
London Stock Exchange
Main media

www.afarak.com

[EGM Appendix A](#)

*This announcement is distributed by Nasdaq Corporate Solutions on behalf of Nasdaq Corporate Solutions clients.
The issuer of this announcement warrants that they are solely responsible for the content, accuracy and originality of the information contained therein.
Source: Afarak Group via Globenewswire*

APPENDIX 2**CLAIMANTS' PROPOSALS TO THE GENERAL MEETING:****1 SHAREHOLDERS' DEMAND TO CONDUCT A SPECIAL AUDIT**

Shareholders, who own more than one-tenth of all shares of the Company, propose to the General Meeting that a special audit, in accordance with Chapter 7 Paragraph 7 of the Companies Act, should be conducted concerning Afarak Group Plc's administration and accounting for the financial years January 1st to December 31st 2015, January 1st to December 31st 2016 as well as for the financial year beginning January 1st 2017 until October 31st 2017. The special audit should investigate the activity of Afarak Group Plc and its administration as well as the legitimacy of the mentioned activity, in particular regarding and taking into account all business and legal actions between Afarak Group Plc and its main shareholder Danko Koncar and his controlled corporations and other related parties.

2 SHAREHOLDERS' PROPOSAL FOR DISMISSAL OF THE BOARD OF DIRECTORS

Shareholders, who own more than one-tenth of all shares of the Company, propose to the General Meeting that the General Meeting would resolve to dismiss the Board of Directors.

3 SHAREHOLDERS' PROPOSAL FOR ELECTION OF THE NEW BOARD OF DIRECTORS

Shareholders, who own more than one-tenth of all shares of the Company, propose to the General Meeting that, to replace the dismissed Board of Directors, the General Meeting would resolve to elect a new Board of Directors, independent of the Company's main shareholder (Danko Koncar) and his controlled corporations, for the term ending at the end of the next Annual General Meeting.

