

LEHTO GROUP PLC

ANNUAL GENERAL MEETING 11 APRIL 2017

RESOLUTION ON THE USE OF THE PROFIT SHOWN ON THE BALANCE SHEET AND THE PAYMENT OF DIVIDEND

The Board of Directors proposes to the General Meeting that the dividend payable on the basis of the balance sheet confirmed for the financial year 1 January - 31 December 2016 be EUR 0.22 per share, a total of EUR 12,815,165.44. The dividend shall be paid to shareholders who on the record date for the dividend payment, 13 April 2017, are recorded in the shareholders' register held by Euroclear Finland Oy. The Board of Directors proposes that the dividend payment date be 24 April 2017.

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017**

REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The shareholders, who together represent 62,43% of company shares, have provided the company with the following proposals in advance:

The monthly remuneration of the members of the Board of Directors

- Chairman of the Board of Directors EUR 3,400
- Deputy Chairman and members of the Board of Directors EUR 1,900

The attendance fee for the members of the Board of Directors for each Board meeting attended by the member, with the exception of meetings held via telephone or email:

- Chairman of the Board of Directors EUR 1,500
- Deputy Chairman and members of the Board of Directors EUR 750

The attendance fee for the members of the committees of the Board of Directors for each committee meeting attended by the member, with the exception of meetings held via telephone or email:

- Chairman of the committee EUR 600
- Members of the committee EUR 400

Reasonable travel expenses caused by Board meetings or committee meetings should be paid in accordance with the instructions of the tax authority.

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DECIDING THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS

The shareholders, who together represent 62,43% of company shares, have provided the company with the proposal in advance that the number of Board members should be five (5).

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****ELECTING THE CHAIRMAN, DEPUTY CHAIRMAN AND MEMBERS OF THE BOARD OF DIRECTORS**

The shareholders, who together represent 62,43% of company shares, have provided the company with the proposal in advance that pursuant to their consent, the following persons should be re-elected as members: Pertti Huuskonen as the Chairman and Martti Karppinen, Mikko Räsänen, Päivi Timonen and Sakari Ahdekivi as the other members.

Taking into consideration the change to the Articles of Association proposed by the Board of Directors to the Annual General Meeting, the election of a Deputy Chairman is not proposed.

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****AUDITOR'S FEE**

The Board of Directors proposes that the auditor's fee be paid on the basis of an invoice approved by the company. In 2016, the auditor was paid approximately EUR 142,000 for services rendered. In addition to this, the audit firm was paid approximately EUR 238,000 for expert services pertaining to listing and approximately EUR 61,000 for services other than auditing services.

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****ELECTION OF AN AUDITOR**

The Board of Directors proposes that audit firm KPMG Oy Ab be re-elected as the auditor and that the Annual General Meeting ask the auditor for a statement regarding the confirmation of the annual financial statement, granting discharge and the Board's proposal for asset sharing. KPMG Oy Ab has informed the company that C.A. Tapio Raappana would continue as the chief auditor.

The proposed auditor has consented to the election.

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE PURCHASE OF THE COMPANY'S OWN SHARES**

The Board of Directors proposes that the Annual General Meeting authorise the Board to decide on the purchase of the company's own shares as one or several instalments using assets belonging to the shareholders' surplus, such that the maximum quantity purchased be 5,800,000 shares. On the date of the notice of meeting, the proposed quantity equals approximately ten (10) per cent of the company's entire shares. The shares shall be purchased through public trading organised by NASDAQ OMX Helsinki in accordance with its rules or using another method. The consideration paid for the purchased shares should be based on the market price.

The authorisation also entitles the Board of Directors to decide on the purchase of shares other than in proportion to the shares owned by the shareholders (directed purchase). Then, there should be sound financial reasons for the company to purchase its own shares. Shares can be purchased to implement arrangements linked to the company's business operations, to realise the company's share-based incentive systems or otherwise to transfer or invalidate. The shares purchase can also be stored by the company.

The Board of Directors is authorised to make decisions on all other conditions and circumstances pertaining to the purchase of own shares. The purchase of own shares reduces the shareholders' surplus.

The authorisation is proposed to remain valid until the next Annual General Meeting.

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON A SHARE ISSUE, IN THE ISSUANCE OF OPTIONS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES AS WELL AS THE TRANSFER OF OWN SHARES**

The Board of Directors proposes that the AGM authorise the Board of Directors to decide on the issue of a maximum of 5,800,000 shares through a share issue or by granting rights of option or other special rights entitling to shares as one or several instalments. The authorisation includes the right to issue either new shares or own shares held by the company either against payment or without consideration. In contrast to the company's shareholders' privilege, new shares can be directly issued and own shares held by the company directly transferred if there is a weighty financial reason for it from the company's point of view or, in case of an issue without consideration, a particularly weighty financial reason from the company's point of view and the benefit of all its shareholders. The Board of Directors is authorised to decide on all other conditions and circumstances pertaining to a share issue, to the granting of special rights entitling to shares, and to the transfer of shares.

Among other things, the authorisation can be used to develop the capital structure, to expand the ownership base, to use as consideration in transactions, when the company purchases assets linked to its operations, and to implement incentive systems.

The authorisation is proposed to be valid until 31 October 2019. The authorisation shall replace the company's previous share issue and option authorisations.

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ANNUAL GENERAL MEETING 11 APRIL 2017

AMENDING THE ARTICLES OF ASSOCIATION

The Board of Directors proposes the following changes to the Articles of Association:

5 SIGNING FOR THE COMPANY

Current: The company may be signed for by the Board of Directors as well as the Chairman of the Board and the Managing Director, each alone, and the members of the Board of Directors, two together. The Board of Directors may grant a named person the power of procuration or the right to represent the company. The holder of procuration and the authorised representative shall represent the company together with a holder of procuration, an authorised representative, a member of the Board of Directors or the Managing Director.

New: *In addition to the Board of Directors, the Chairman of the Board of Directors and the Managing Director, each alone, or a member of the Board together with another with the right to represent or the holder of procuration may sign for the company. The Board of Directors may grant a nominated person the power of procuration or right to sign for the company.*

6 AUDITOR

Current: An audit firm certified by the Finland Chamber of Commerce shall be elected as the company's auditor. The auditor's term of office shall expire at the end of the next Annual General Meeting following its election.

Uusi: *An audit firm whose chief auditor is a Chartered Accountant shall be elected as the company's auditor. The auditor's term of office shall expire at the end of the next Annual General Meeting following its election.*

9 ANNUAL GENERAL MEETING

Current:

The Annual General Meeting shall be held annually, within six months from the termination of the financial year.

At the meeting, the following shall be

presented:

1. the financial statements including consolidated financial statements and a report by the Board of Directors;
2. the auditors' report;

decided:

3. the adoption of the financial statements;
4. the use of the profit shown on the balance sheet;
5. discharging Board members and the Managing Director from liability;
6. the fees of the Board members and auditors;
7. the number of members on the Board of Directors;

elected:

8. the Chairman, Deputy Chairman and members of the Board of Directors;
9. the auditor.

Should a vote be required in the Annual General Meeting, the method of voting shall be decided by the chairman of the Meeting.

New:

The Annual General Meeting shall be held annually within six months of the termination of the financial year.

At the meeting, the following shall be

presented:

- 1. the financial statements including consolidated financial statements and a report by the Board of Directors;*
- 2. the auditors' report;*

decided:

- 3. the adoption of the financial statements;*
- 4. the use of the profit shown on the balance sheet;*
- 5. discharging Board members and the Managing Director from liability;*
- 6. the fees of the Board members and auditors;*
- 7. the number of members on the Board of Directors;*

elected:

- 8. Members of the Board of Directors;*
- 9. the auditor.*

Should a vote be required in the Annual General Meeting, the method of voting shall be decided by the chairman of the Meeting.

10 BOOK-ENTRY SYSTEM

Current: The company's shares shall be included in the book-entry system after the expiry of the registration period.

New: *The company's shares shall be included in the book-entry system.*

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****ESTABLISHING A SHAREHOLDERS' NOMINATION COMMITTEE**

The Board of Directors proposes that the AGM decide to establish a shareholders' nomination committee, which shall prepare annual proposals regarding the members of the Board of Directors and their fees for the next AGM deciding on the election of members.

As its members, the shareholders' nomination committee shall have the representatives nominated by the three biggest shareholders who have accepted the responsibility. The biggest shareholders shall be annually named on the last October date of public trading organised by NASDAQ OMX Helsinki on the basis of the company's shareholders' register, held by Euroclear Finland Ltd. Each of the three biggest shareholders shall be able to nominate one representative to the nomination committee. Should the shareholder opt out of the nomination right, the right shall be transferred to the next biggest shareholder in order who otherwise would not have the nomination right. The Board of Directors proposes that the Chairman of the Board be named as the acting expert member of the nomination committee. The Chairman of the Board of Directors shall convene the nomination committee, and the committee shall elect a chairman from within their own ranks. The company shall not pay a committee membership fee.

The Rules of Procedure of the committee is proposed to be approved as presented for the Annual General Meeting.

LEHTO GROUP PLC**ANNUAL GENERAL MEETING 11 APRIL 2017****A SHAREHOLDER'S PROPOSAL ON ARRANGING A SPECIAL REVIEW**

Company shareholder Kari Toivanen has submitted the Board of Directors a request dated 28 September 2016 to process in the next AGM his proposal for arranging a special review of Lehto Group Plc.

Regarding the same case, Toivanen has initiated legal proceedings against Lehto Group Plc in the district court of Oulu, which the company has denied and the district court rejected (without the force of res judicata) as well as made a request for action to the Financial Supervisory Authority and the Finland Chamber of Commerce and a report to the police, without these proceedings resulting in action against the company.

In the clarifications made by the Board of Directors no issues claimed by Toivanen have been found and the Board deems the claims unfounded.