

## Notice to the Annual General Meeting 2022 of Lehto Group Plc

The shareholders of Lehto Group Plc (the "Company") are hereby invited to the Annual General Meeting held on Monday 2nd of May 2022 at 1 p.m. in Kempele, in the Headquarters of Lehto Group Plc (Voimatie 6 B, 90440 Kempele).

The Board of Directors of the Company has resolved to apply exceptional meeting procedures in order to ensure the health and safety of the shareholders and personnel of the Company. Due to the exceptional procedure it is not possible to participate the meeting in the General Meeting venue.

The Company will follow the procedure of the temporary legislative act to limit the spread of the Covid-19 pandemic (677/2020). Based on the said procedure the shareholders can participate the General Meeting and use their shareholders rights in connection with the General Meeting by voting in advance, by submitting counter-proposals in advance, and by asking questions in advance. The instructions in more detail are in the Section C "Instructions for the participants in the Annual General Meeting" of this notice.

The shareholders are entitled to ask questions from the management of the Company until 19 April 2022. The answers to the questions, alongside with the questions, will be made public on the Company's webpage [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022) no later than on 22 April 2022.

### A. Agenda of the Annual General Meeting:

1. Opening of the meeting
2. Calling the meeting to order

Attorney-at-law Kirsi Karvonen will act as the Chairman of the General Meeting. If due to weighty reasons Kirsi Karvonen is not able to act as the Chairman, the Board of Directors shall appoint another person it deems most suitable to act as the Chairman.

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

Virpi Virtanen (L.L.M.), Company's Legal Counsel, will scrutinize the minutes and supervise the counting of votes at the General Meeting. Should Virpi Virtanen for a weighty reason not be able to attend these tasks, the Company's Board of Directors will appoint another person that it deems most suitable to scrutinize the minutes and 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

Shareholders who have voted in advance in accordance with the instructions set out in this notice and who have the right to attend the General Meeting in accordance with

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**Visiting address:**  
Lehto Group Plc  
Voimatie 6 B  
90440 Kempele

**Electronic invoicing address:**  
EDI ID: 003722354432  
Operator: Ropo Capital  
Intermediator ID: 003714377140

**Invoicing address:**  
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PL 172  
70080 Ropo

**Phone:**  
+358 207 600 900  
**Business ID:**  
2235443-2

**E-mail:**  
[firstname.lastname@lehto.fi](mailto:firstname.lastname@lehto.fi)  
**Internet:**  
[www.lehto.fi](http://www.lehto.fi)

Chapter 5, Sections 6 and 6a of the Finnish Limited Liability Companies Act will be recorded to have attended the General Meeting. The list of votes will be adopted according to the information provided by Euroclear Finland Oy.

6. Presentation of the financial statements of 2021, including the consolidated financial statements, the report by the Board of Directors, and the auditor's report

As shareholders can only participate in the General Meeting by voting in advance, the Company's Financial Review 2021 published on week 10 of 2022, which includes the Company's financial statements, the Report of the Board of Directors and the Auditor's Report, and made available on the Company's website at [www.lehto.fi](http://www.lehto.fi), will be deemed to have been presented to the General Meeting.

A video of CEO's review and a slideshow are presented on the Company's website by 9 a.m. 2 May 2022.

7. Adoption of the annual accounts

The Board of Directors proposes to the General Meeting that the financial statements and the consolidated financial statements of the company for the financial year 1 January – 31 December 2021 shall be adopted. The Accountant of the Company has found no reason why the financial statements should not be adopted.

8. Resolution on the use of the profit shown on the balance sheet and the payment of dividend

According to the balance sheet of the Company as per 31 December 2021 the free distributable equity of the parent company is EUR 67 249 763,65 of which the result for the financial year 2021 is EUR -19 314 695,05. The Board of Directors proposes to the General Meeting that no dividend is paid based on the adopted balance sheet for the financial year ending 31 December 2021.

9. Resolution on discharge members of the Board of Directors and the Managing Director from liability

10. Adoption of the Remuneration Report for governing bodies

The Board of Directors proposes to the General Meeting that the Remuneration Report for the governing bodies shall, through an advisory resolution, be adopted.

As shareholders can only participate in the General Meeting by voting in advance, the Company's Remuneration Report for the Company's governing bodies for the financial year January 1–December 31, 2021, which has been published by a stock exchange release and has also been made available on the Company's website at [www.lehto.fi/en/investors](http://www.lehto.fi/en/investors) in week 10 of 2022 by the latest will be deemed to have been presented to the General Meeting.

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

The Shareholders' Nomination Committee has announced, pursuant to its Rules of Procedure, the proposition for the remuneration of the members of the Board of Directors.

The remuneration of the members of the Board of Directors is proposed to be given in a combination of Lehto Group Plc shares and cash. The yearly remuneration, paid in such manner, would remain the same as last year:

- Chairman of the Board of Directors EUR 69,000
- Deputy Chairman and members of the Board of Directors EUR 34,500

The yearly remuneration of the members of the Board of Directors shall be made in Lehto Group Plc shares and in cash, with approximately 40 per cent of the remuneration paid in shares and the remainder in cash. The Members of the Board of Directors shall be given either shares that are in the Company's possession or alternatively shares shall be acquired from the regulated market (Nasdaq Helsinki Ltd) at a price determined by public trading, in the name and on behalf of the Member of the Board of Directors. The shares shall be acquired as soon as possible from the Annual General Meeting accepting the proposal.

The amount of the shares to be transferred from the Company's possession would be calculated by dividing the remuneration determined based on the medium rate of a share during the ten following banking days from the Annual General Meeting accepting the proposal and rounding the amount down to the next whole number.

The Members of the Board shall not dispose such shares during his/her membership or before six months has passed from the expiry of the said membership.

Shall the member of the Board of Directors notify the CFO of the Company within three banking days from the Annual General Meeting, in writing, that he/she shall abstain from accepting the Lehto Group Plc shares, the yearly remuneration shall be paid entirely in cash. The yearly remuneration that would be paid in such case would remain the same as last year:

- Chairman of the Board of Directors EUR 55,200
- Deputy Chairman and members of the Board of Directors EUR 27,600

The attendance fee for the members of the Board of Directors for each attended Board meeting agreed in the annual meeting agenda or a meeting outside the annual meeting agenda exceeding two hours, would remain the same as last year:

- 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 attended committee meeting agreed in the annual committee meeting agenda or a meeting outside annual meeting agenda exceeding two hours, would remain the same as last year:

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

Reasonable travel expenses caused by Board meetings or committee meetings are proposed to be paid in accordance with the instructions of the tax authority. The per diem allowances are included in the attendance fee.

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

The Shareholders' Nomination Committee has announced, pursuant to its Rules of Procedure, the proposition for the number of the members of the Board of Directors.

The number of Board members is proposed to be five (5).

#### 13. Election of the members of the Board of Directors

The Shareholders' Nomination Committee proposes that, at their consent, the following persons should be re-elected as members: Anne Korhikoski, Helena Säteri, Hannu Lehto and Jani Nokkanen.

At his consent, as the new member of the Board of Directors the Shareholders' Nomination Committee proposes Eero Sihvonen.

##### **Eero Sihvonen**

Eero Sihvonen (M.Sc. Economics) has previously served as the Chief Financial Officer at Citycon Plc for 16 years and over 10 years also as the Executive Vice President. Currently Sihvonen is working as a Senior Advisor at Citycon Plc. He has an especially strong background in financing of real estate and other business. Sihvonen has previously been a member of RAKLI Ry's board of directors for several years.

The nominee is independent of the Company and its significant shareholders.

The Shareholders' Nomination Committee proposes that Hannu Lehto would be elected as the Chairman of the Board of Directors.

#### 14. Resolution on the remuneration of the Auditor

The Board of Directors proposes that the auditor's fee be paid on the basis of an invoice approved by the Company. In 2021, the auditor was paid approximately EUR 211,000 for services rendered. In addition to this, the audit firm was paid EUR 9,000 for other services than auditing.

#### 15. Election of an auditor

The Board of Directors proposes that audit firm KPMG Oy Ab would be re-elected as the auditor. KPMG Oy Ab has informed the company that C.A. Pekka Alatalo would act as the chief auditor. The proposed auditor has given his consent to be elected.

#### 16. Authorisation to the Board of Directors to resolve to repurchase the Company's own shares

The Board of Directors proposes that the Annual General Meeting authorise the Board of Directors 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 8,733,000 shares. On the date of the notice of meeting, the proposed quantity equals approximately ten (10) per cent of the total amount of Company's shares. The shares shall be purchased through public trading organised by Nasdaq Helsinki Ltd in accordance with its rules or using another method. The consideration paid for the purchased shares should be based on the market price at the time of purchase.

The authorisation also entitles the Board of Directors to decide on the purchase of shares in different proportions than the proportion to the shares owned by the shareholders (directed purchase) with weighty financial reasons. Shares can be purchased to implement arrangements linked to the Company's business operations, to execute the Company's share-based incentive systems, or otherwise to transfer or invalidate. The purchased shares can also be kept 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 end of the following annual general meeting but in any case, not longer than 30<sup>th</sup> June 2023. The authorisation shall replace the Company's previous authorisations regarding the repurchase of Company's own shares.

17. Authorisation to the Board of Directors to resolve to issue shares, options and other special rights entitling to shares, as well as the transfer of own shares

The Board of Directors proposes that the Annual General Meeting authorise the Board of Directors to decide on the issue of a maximum of 40 000 000 shares through a share issue or by granting rights of option or other special rights entitling to shares as one or several instalments. On the date of the notice of meeting, the proposed quantity equals approximately fortysix (46) per cent of the total amount of Company's shares. The authorisation includes the right to issue either new shares or own shares held by the Company, either against payment or without consideration. As a derogation to the Company's shareholders' privilege, new shares can be directedly issued, and own shares held by the Company directedly transferred, if there is a weighty financial reason for the Company to do so and, in case of an issue without consideration, an especially weighty reason for both the Company and in regard to the interests of all shareholders in the Company. 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 execute equity-linked financing arrangement published on 11 April 2022, to develop the capital structure, to pay the remuneration of the Board of Directors, to expand the ownership base, to use as

consideration in transactions, when the company purchases assets linked to its operations, or to implement incentive systems.

The authorisation is proposed to be valid until the end of the following annual general meeting but in any case, no later than 30<sup>th</sup> June 2023. The authorisation shall replace the Company's previous share issue and option authorisations.

#### 18. Closing of the meeting

## **B. Documents of the Annual General Meeting**

The above decision proposals on the agenda and this notice of meeting are available on the Lehto Group Plc website at [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022). Lehto Group Plc has published the annual report, financial statements, report by the Board of Directors and auditors' report as well as the remuneration report at [www.lehto.fi/en](http://www.lehto.fi/en). Copies of this notice, the decision proposals, and other documents mentioned above will be sent to shareholders upon request. The minutes of the Annual General Meeting shall be available on the aforementioned website on 16 May 2022 at the latest.

## **C. Instructions for the participants in the Annual General Meeting**

In order to limit the spread of the COVID-19 pandemic, the Board of Directors of the Company has resolved to organise the Annual General Meeting without the shareholders' and their proxy representatives' presence at the venue. The shareholders' and their proxy representatives are entitled to participate the meeting and use their shareholder rights only by voting in advance, by submitting counterproposals in advance, and by asking questions in advance. The Annual General Meeting will be carried out by following the rules of the temporary legislative act to limit the spread of the Covid-19 pandemic.

### 1. Shareholders registered in the shareholders' register

A shareholder who is registered in the shareholders' register of Lehto Group Plc held by Euroclear Finland Oy on 20 April 2022 has the right to take part in the Annual General Meeting. A shareholder whose shares have been entered on a personal Finnish book-entry account is registered in the shareholders' register.

### 2. Registration and advance voting

Registration to the Annual General Meeting and the advance voting begins on 14 April 2022 at 9 a.m. (EET).

A shareholder registered in the shareholders' register who wants to participate in the Annual General Meeting should register for the meeting no later than on Monday 25 April 2022 by 4 p.m., which is the notification deadline.

A shareholder can register and vote in advance in the following ways:

- a) Via the Lehto Group Plc website at: [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022). In the registration and in the advance voting private individuals use strong electronic identification and online banking codes or mobile confirmation. Legal entities use the shareholders book-entry account together with the business ID or other login identification.
- b) Via email or regular mail by sending the Advance Voting Form, or similar information, by post to the address Euroclear Finland Oy, Yhtiökokous, PL 1110, 00101 Helsinki, or by email to the address [yhtiokokous@euroclear.eu](mailto:yhtiokokous@euroclear.eu)

Advance Voting Form and more information regarding the advance voting you can find from [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022). More information is also available through telephone +358 40 7714 228 on weekdays from 9am-3pm or by email from [yhtiokokous@lehto.fi](mailto:yhtiokokous@lehto.fi).

If a shareholder participates the Annual General Meeting by voting in advance in accordance with the applicable instructions and within the advance voting period, this constitutes a valid registration to the Annual General Meeting if all the necessary information regarding registration and advance voting has been duly provided.

When registering, you should tell your name, identity number or Business ID, address, and telephone number. The personal data given to Lehto Group Oyj is used only in connection with the general meeting and with the processing of the related registrations. Further information on how we in Lehto Group Plc processes your personal data regarding Annual General Meeting is available in [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022).

### 3. Proxy representatives and power of attorney

A shareholder may participate the Annual General Meeting and use his/her rights by proxy. Proxy representatives must also vote in advance and use the right to make questions in advance as established in this notice. If the shareholder does not vote in advance, we request, due to the COVID-19 pandemic, the shareholder to use his/her rights via a centralised proxy representation designated by the Company by authorising Attorney at Law Kaija Pulkkinen from Attorneys-at-law Eversheds Finland Oy, or a person appointed by her, to represent the shareholder at the Annual General Meeting in accordance with the shareholder's voting instructions. Authorising the Company designated proxy representative will not create any expenses to the shareholder, excluding possible postage fees. Further information on the designated proxy can be found on [www.eversheds-sutherland.com/global/en/where/europe/finland/-fi/people/pulkkinen\\_kaija.page?](http://www.eversheds-sutherland.com/global/en/where/europe/finland/-fi/people/pulkkinen_kaija.page?)

Shareholders may also participate in the Annual General Meeting and exercise their right through another proxy representative. A proxy representative must present an original and dated proxy document or otherwise, in a reliable manner, demonstrate the right to represent the shareholder in the Annual General Meeting. If a shareholder participates the Annual General Meeting by several proxy representatives, who represent the shareholder with shares in different book-entry accounts, must the representative identify the shares by which s/he is representing.

The power of attorney drafts and advance voting forms are available in [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022). If a shareholder authorises a proxy representative to represent the shareholder at the AGM, we would kindly ask you to send the signed power of attorneys to [yhtiokokous@lehto.fi](mailto:yhtiokokous@lehto.fi) or Lehto Group Oyj / Yhtiökokous, Voimatie 6 B, 90440 Kempele, Finland before the expiry of the registration period.

If a shareholder delivers a proxy to the Company in accordance with the applicable instructions and within the advance voting period, this constitutes a valid registration to the Annual General Meeting if all the necessary information regarding registration and advance voting has been duly provided.



The proxy representatives must also follow the procedure of this notice regarding advance voting and the right to ask questions.

Shareholders that are legal persons can also use the electronic Suomi.fi authorization service instead of a traditional proxy authorization document in Euroclear Finland's general meeting service. In this case, the shareholder that is legal person authorizes an assignee nominated by it in the Suomi.fi service at <https://www.suomi.fi/e-authorizations> using the authorization topic "Representation at the General Meeting". The assignee must identify himself or herself with strong electronic authentication in Euroclear Finland's general meeting service when registering, after which the electronic authorization is automatically checked. The strong electronic authentication works with personal banking IDs or a mobile certificate. More information on <https://www.suomi.fi/e-authorizations>.

#### 4. Holders of nominee registered shares

Nominee shareholders have the right to participate in the Annual General Meeting based on shares, the shareholder would have the right to be registered in the Company's shareholders' register on the record date 20 April 2022. Furthermore, the shareholder must be temporarily registered in the shareholders' register held by Euroclear Finland Oy by 27 April 2022 at 10 am (Finnish time). For the shares registered in the nominee register, this constitutes due registration for the Annual General Meeting.

A holder of nominee registered shares are advised to contact their asset manager well in advance regarding the registration in the temporary shareholders' register, the delivery of power of attorneys, and registration for the Annual General Meeting.

The asset manager's account operator must register the holder of nominee registered shares, who wants to participate in the Annual General Meeting, into the temporary shareholders' register of the Company on 27 April 2022 at 10 am at the latest.

#### 4. Other instructions/information

Shareholders who represent at least one hundredth (1/100) of all the shares in the Company, have the right to make counterproposals regarding the matters on the agenda of the Annual General Meeting to be accepted into vote. The counterproposals must be delivered to the Company by email to the address [yhtiokokous@lehto.fi](mailto:yhtiokokous@lehto.fi) no later than 13 April 2022 at 12 p.m. by which the counterproposals must have arrived to the Company.

A shareholder making a counterproposal must deliver an adequate evidence of his/her shareholding. The counterproposal shall be eligible for voting at the Annual General Meeting only if the shareholders making the counterproposal have the right to attend the Annual General Meeting and on the record date of the Annual General Meeting the shares of such shareholders represent not less than one hundredth (1/100) of all shares in the Company. If a counterproposal is not eligible for voting at the Annual General Meeting, the votes given in favor of such a counterproposal will not be taken into account. The Company will publish potential counterproposals eligible for voting on the Company internetpage no later than 14 April 2022.

Pursuant to chapter 5, section 25 of the Companies Act, a shareholder present at the Annual General Meeting has the right to request information regarding the topics discussed in the meeting. The right can be used by sending questions to the email address [yhtiokokous@lehto.fi](mailto:yhtiokokous@lehto.fi) no later than 19 April 2022 at 4 p.m. by which the questions must have arrived to the Company. A shareholder asking questions must deliver an adequate evidence of his/her shareholding. The questions presented by the shareholders in accordance with the notice, the Company's answers to such questions, and such counterproposals that have not been taken into vote are available on the Company's internet page [www.lehto.fi/en/agm2022](http://www.lehto.fi/en/agm2022) no later than 22 April 2022.

On the date of the notice of meeting 11 April 2022, Lehto Group Plc has a total of 87,311,287 shares, representing the same number of votes. The Company has 28,123 Company shares.

In Kempele, 11 April 2022

LEHTO GROUP PLC

BOARD OF DIRECTORS

Additional information:

Veli-Pekka Paloranta  
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Lehto Group Plc  
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