

UNOFFICIAL ENGLISH TRANSLATION OF THE FINNISH ORIGINAL

**ANNUAL GENERAL MEETING OF LEHTO GROUP PLC**

Time: 2 May 2022 at 1.00 pm

Place: Lehto Group Plc's headquarters, conference room Lehto (Voimatie 6 B, Kempele)

Present: The Board of Directors has decided in accordance with temporary legislative act to limit the spread of the Covid-19 677/2020 ("Temporary Act") that the shareholders can only participate in the annual general meeting by voting in advance and/or attending via proxy.

The shareholders listed in the List of Votes confirmed at the Meeting were represented at the Meeting.

In addition, the Chairman of the Meeting, the Chairman of the Board, the Chief Financial Officer, Legal Counsel, and meeting assistant were present at the Meeting. The Chief Executive Officer and The Board Nominee were present at the Meeting via remote access.

**1 OPENING OF THE MEETING**

The Chairman of the Board of Directors Hannu Lehto opened the Meeting and presented a brief review on Company's and the Board of Directors' actions.

**2 CALLING THE MEETING TO ORDER**

Attorney with court training Kirsi Karvonen was elected as the Chairman of the Meeting in accordance with the notice of the annual general meeting. The Chairman of the Meeting called Virpi Virtanen, L.L.M as the secretary.

The Chairman explained the procedures for handling the matters on the Agenda of the Meeting. It was noted that the Meeting will be held in Finnish.

The Board of Directors' and the Shareholders' Nomination Board's proposals to the Annual General Meeting were included in the notice of the annual general meeting which was published on Lehto Group's website on 11 April 2022. It was noted that no counterproposals were received by 13 April 2022. It was noted that company received one question and answered to it in company's website.

A shareholder could have only attended the annual general meeting by voting in advance and, therefore, the voting for all resolution items on the agenda has been carried out. It was possible to oppose the proposed resolution in every item without a counterproposal in accordance with the temporary legislative act. It was noted that the initial deadline for registration and early voting was 25 April 2022 at 10.00. However, the deadline was extended until 16.00 on 26 April 2022, as it turned out,

that there may have been technical problems with the registration and early voting. This was to ensure that all shareholders had an actual opportunity to register and vote. A stock exchange release concerning the extension of the deadline of registration and early voting was published on 25 April 2022. The summary of the list of votes and results of voting were attached as an appendix to the minutes (appendix 1).

In order to secure shareholder's possibility to influence, the shareholders have had the opportunity to utilise the costless proxy representative service provided by Lehto Group and to authorise named attorney Kaija Pulkkinen from Eversheds Attorneys Ltd to represent a shareholder and to vote on behalf of the shareholder in accordance with the voting instructions given by the shareholder. It was noted that no proxies were given.

No voting instructions had been delivered to the company from the shareholders who own nominee registered shares before the Annual General Meeting.

Shareholders could have decided not to provide a voting instruction and, therefore, the shareholder is considered not to be represented in the annual general meeting at the item of the agenda. Because of the afore-mentioned procedure, the number of represented shareholders and shares may not have been the same in all items of the agenda.

### **3 ELECTION OF THE PERSONS TO EXAMINE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES**

Company's Legal Counsel Virpi Virtanen L.L.M was elected as Examiner of the Minutes and Supervisor of the Counting of the Votes.

### **4 RECORDING THE LEGALITY OF THE MEETING**

It was noted that in accordance with the Board of Director's decision on 11 April 2022 the Notice to the Meeting had been published as a stock exchange release on 11 April 2022. The Notice to the Meeting had been also published on the Company's website on 11 April 2022. The items on the agenda were listed in the Notice to the Meeting in accordance with the Companies Act and Articles of Association.

It was recorded that the meeting documents had been available for shareholders no later than 11 March 2022 on the company's website and copies of the documents had been sent to shareholders upon request in accordance with the Chapter 5, Section 21 and 22 of the Companies Act.

It was noted that the Meeting had been duly convened in accordance with the provisions of the Companies Act, the Temporary Act and the Articles of Association.

The Notice to the Annual General Meeting was attached as Appendix 2.

**5 RECORDING THE ATTENDANCE AT THE MEETING AND ADAPTION OF THE LIST OF VOTES**

The list of shareholders who had voted in preliminary voting during the time period of preliminary voting and shareholders who have the right to attend the Annual General Meeting in accordance with Chapter 5, Section 6 and 6 a.

It was noted that according to the List of Votes, there were 13 shareholders present representing, in total 34.724.933 shares and votes (39,75861 % of all the outstanding shares and votes in the company).

The List of Attendance and Votes were attached as an Appendix 3 to the Minutes.

**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**

It was noted that the annual report of the company, including annual review, the corporate responsibility report, the report by the Board of Directors, financial statement, and the corporate governance statement had been made available on the company's website as of 10 March 2022. The Remuneration Report 2021 of the company had been updated at the same time. The publication of the annual report had been published as stock exchange release on 10 March 2022.

The Chief Executive Officer for year 2021 Juuso Hietanen's review were presented on the Company's website on 2 May 2022. (Appendix 4)

The annual report was taken as the Appendix 5 to the Minutes.

**7 ADOPTION OF THE FINANCIAL STATEMENTS**

It was noted that the Auditor had issued the standard Auditor's Report after the audit.

It was noted that 34.724.933 shares and votes, presenting 39,75861 % of all the shares and votes in the Company, participated in voting. A total of 34.724.378 votes presenting 99,99 % of the given votes voted for adopting the financial statement and 555 votes voted against it. None votes were abstain from voting the adoption of the annual accounts.

It was resolved to adopt the financial statements and the consolidated financial statements of the company for the financial year 1 January – 31 December 2021.

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

It was noted that according to the balance sheet of the parent company as per 31 December 2021 the free distributable equity of the parent company is EUR 67.249.763,65 of which the loss for the financial year 2021 is EUR 19.314.695,05.

It was noted that The Board of Directors had proposed to the Annual General Meeting that dividend is not paid based on the adopted balance sheet for the financial year ending 31 December 2021.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 34.621.178 votes presenting 99,99 % of the given votes voted for the proposal of The Board of Directors and 755 votes were casted against it. The number of shares that casted no votes, i.e. abstained, was 3.000, presenting 0,01 % of given votes. The number of shares, that were not voted by, was 100.000.

It was resolved, in accordance with the proposal of the Board of the Directors, not to pay dividend.

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## **RESOLUTION ON DISCHARGE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CHIEF EXECUTIVE OFFICER FROM LIABILITY**

It was noted that the resolution on discharging from liability for the financial year 2021 concerns the following persons:

Seppo Laine, Member of the Board of Directors 28 May – 31 December 2021, Chairman of the Board of Directors, 1 January - 28 May 2021

Anne Korhikoski, Member of the Board of Directors, 1 January– 31 December 2021

Mikko Räsänen, Member of the Board of Directors, 1 January – 28 May 2021

Raimo Lehtiö, Member of the Board of Directors, 1 January – 31 December 2021

Helena Säteri, Member of the Board of Directors, 1 January – 31 December 2021

Hannu Lehto, Chairman of the Board of Directors 28 May 2021 – 31 December 2021, Chief Executive Officer, 1 January – 30 April 2021

Juuso Hietanen, Chief Executive Officer, 1 May 2021 – 31 December 2021

Jani Nokkanen, Member of the Board of Directors, 1 January – 31 December 2021

It was noted that the persons who acted as Members of the Board of Directors or as the Chief Executive Officer did not participate in voting.

It was noted that 710.173 shares and votes, presenting 0,81312 % of all the shares and votes in the Company, participated in voting. A total of 708.904 votes presenting 99.82% of the given votes voted for discharging from liability and 1.269 votes presenting 0,18 % of given were against discharging from liability. It was noted that no votes were abstained from voting and the number of shares, that were not voted by, was 100.000.

It was resolved to discharge the Chairman of the Board of Directors, the Members of the Board of Directors, and the Chief Executive Officer from liability for the financial year 2021.

## **10 HANDLING OF THE REMUNERATION REPORT FOR GOVERNING BODIES**

It was noted that the Board of Directors had proposed that the Annual General Meeting shall adopt the Remuneration Report. Furthermore, it was noted that the proposal to adopt Remuneration Report was advisory.

It was noted that the Company's proposal for the Remuneration Report had been published as a stock exchange release on 10 March 2022 and it has been available in the company's website on 10 March 2022.

Chairman of the Board of Directors Hannu Lehto presented the Remuneration Report.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 43.428.178 votes presenting 99,99 % of the given votes voted for adapting the Remuneration Report and 755 votes were against it. No votes were abstained from voting and the number of shares, that were not voted by, was 100.000.

It was resolved to adapt the Remuneration Report in accordance with the proposal. The Remuneration Report was taken as an Appendix 6 to the Minutes. The decision was advisory.

## **11 REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

It was noted, that the Shareholder's Nomination Board had proposed, that the remuneration of the members of the Board of Directors shall be made in share based-basis so that it shall be made in the Lehto Group Plc shares and in cash.

he Shareholder's Nomination Board had proposed, that that the yearly remuneration that would be paid in such a way is EUR 69.000 for the Chairman of the Board of Directors and EUR 34.500 for the members of the Board of Directors.

In accordance with the proposal by the Shareholders' Nomination Board, with approximately 40 per cent of the remuneration of the members of the Board of Directors shall be made in Lehto Group Plc shares and the remaining in cash. The shares in possession of Lehto Group Oyj shall be given to the Members of the Board of Directors as the remuneration or alternatively the shares shall be purchased from a regulated market (Nasdaq Helsinki Ltd) at a price determined by public trading, and that the shares in question to be purchased directly on behalf of the Members of the Board of Directors without any delay after the Annual General Meeting.

According to the proposal, when giving shares held by the Company, the amount of shares is calculated by dividing the corresponding share-based remuneration amount in cash by the average price weighted by trading volume for ten business days after the Annual General Meeting. The number of shares shall be rounded down if needed.

According to the proposal, a Member of the Board of Directors shall own the shares at least for the term as a Member of the Board of Directors and six months following the term.

If a Member of the Board of Directors notifies the Chief Financial Officer 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 remuneration shall be paid entirely in cash. In that case the yearly remuneration for is EUR 55.200 for the Chairman of the Board of Directors and EUR 27.600 for the Deputy Chairman and Members of the Board of Directors.

In addition, the attendance fee for the Members of the Board of Directors for each scheduled Board Meeting and other Board Meeting with a duration of over two hours attended by the Member, is EUR 750 for the Deputy Chairman and members of the Board of Directors and EUR 1.500 for the Chairman of the Board of Directors.

According to the proposal, the attendance fee for the Members of the Committees of the Board of Directors for each scheduled Committee Meeting and other Committee Meeting with a duration of over two hours attended by the Member, is EUR 600 for the Chairman of the Committee and EUR 400 for the Members of the Committee

According to the proposal, reasonable travel expenses caused by Board Meetings or Committee Meetings shall be paid in accordance with the instructions of the tax authority. The per diem allowances are included in the attendance fee.

The Shareholders' Nomination Committee's proposal was taken as Appendix 7 to the Minutes.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 34.621.178 votes presenting 99,99 % of the given votes voted for favoring the Shareholders' Nomination Committee's proposal and 755 votes were against the proposal. No votes were abstained from voting and the number of shares, that didn't vote, was 100.00.

It was resolved to adopt the Shareholders' Nomination Committee's proposal.

**12 RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS**

In accordance with the proposal by the Shareholders' Nomination Committee, the Board of Directors shall consist of five (5) members. The by the Shareholders' Nomination Committee's proposal was taken as Appendix 7 to the Minutes.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 34.621.378 votes presenting 99,99 % of the given votes voted for favoring the Shareholders' Nomination Committee's proposal and 555 votes were against the proposal. No votes were abstained from voting and the number of shares, that were not voted by, was 100.000.

It was resolved, in accordance with the proposal by the Shareholders' Nomination Committee, that the Board of Directors shall consist of six (5) members.

**13 ELECTION OF THE CHAIRMAN AND THE MEMBERS OF THE BOARD OF DIRECTORS**

It was noted that Shareholders' Nomination Committee had presented a proposal that, with the consent of the nominees, the current Members of the Board of Directors Anne Korhikoski, Helena Säteri, Hannu Lehto and Jani Nokkanen are to be re-elected. Eero Sihvonen, with his consent, was proposed to be elected as a new Member of the Board of Directors. It was further noted, that the Shareholders' Nomination Committee had proposed that Hannu Lehto shall be appointed as the Chairman of the Board of Directors.

The Shareholders' Nomination Committee's proposal was taken as Appendix 7 to the Minutes.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 34.621.378 votes presenting 99,99 % of the given votes voted for favoring the Shareholders' Nomination Committee's proposal and 555 votes were against the proposal. No votes were abstained from voting and the number of shares, that were not voted by, was 100.000.

It was resolved, in accordance with the Shareholders' Nomination Committee, that the following persons shall be appointed as the Members of the Board of Directors: Anne Korhikoski, Helena Säteri, Hannu Lehto and Jani Nokkanen. Eero Sihvonen shall be appointed as a new Member of the Board of Directors.

Hannu Lehto was appointed as the Chairman of the Board of Directors.

## **14 AUDITOR'S FEE**

It was noted that the Board of Directors has proposed that the Auditor's fee based on an invoice approved by the Company shall be paid. It was noted that the Company paid approximately EUR 211.000 to the Auditor as Auditor's fee. Furthermore, the Company paid EUR 9.000 to the auditing firm for other services provided than auditing.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 34.428.733 votes presenting 99.43 % of the given votes voted for favoring the Board of Directors' proposal and 200 were against the Board of Directors' proposal. The number of shares that casted no votes, i.e abstained, was 196.000 presenting 0,57 % of the given votes and the number of shares, that were not voted by, was 100.000.

It was resolved, in accordance with the proposal by the Board of Directors, to pay the Auditor's fee based on an invoice approved by the Company.

## **15 ELECTION OF AN AUDITOR**

It was noted that in accordance with chapter 6 of the Articles of Association that the Company's Auditor shall be an Authorized Public Accounting and the auditor shall be a Certified Public Accountant. The Auditor's term ends at the end of the next Annual General Meeting following the election.

It was noted that the Board of Directors had proposed that the Authorized Public Accounting firm KPMG Oy Ab shall be re-elected as the Auditor. KPMG Oy Ab has notified the Company that the Responsible Auditor shall be Certified Public Accountant Pekka Alatalo. The proposed Auditor has given his consent for the election.

It was noted that 34.624.933 shares and votes, presenting 39,64411 % of all the shares and votes in the Company, participated in voting. A total of 34.624.933 votes presenting 100 % of the given votes voted for favoring the Board of Directors' proposal. It was noted that none votes were against or abstain from voting the Board of Directors' proposal. The number of shares, that were not voted by, was 100.000.

It was resolved, in accordance with the proposal by the Board of Directors, to re-elect the Authorized Public Accounting firm KPMG Oy Ab as the Auditor. The Auditor's term ends at the end of the Annual General Meeting 2023. It was noted that KPMG Oy Ab firm had notified that Certified Public Accountant Pekka Alatalo acts as the Responsible Auditor.



## **AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE PURCHASE OF THE COMPANY'S OWN SHARES**

It was noted that the Board of Directors had proposed that the Annual General Meeting shall authorize the Board of Directors to decide upon purchasing Lehto Group's shares.

It was noted that the Board of Directors' proposal had been published as a stock exchange release on 11 April 2022. The proposal was also published in connection with the Notice to the Annual General Meeting on Lehto Group's website.

The primary conditions of the proposal were stated as follows:

- The maximum quantity of shares to be purchased is 8.733.000 shares and the shares will be purchased in one or several instalments by using assets belonging to the Company's unrestricted equity. The proposed number of shares is approximately ten (10) per cent of all the Company's shares at the date of the Notice to the Annual General Meeting.
- The shares shall be purchased through public trading organized 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.
- The authorization 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). In this case, there should be weighty financial reason for the Company to purchase its own shares.
- The shares may be purchased to implement arrangements associated with the company's business operations or incentive systems, or otherwise transferred on or to be cancelled. The purchased shares may also be held by the company itself.  
10 (12)
- The Board of Directors is authorized to make decisions on all other conditions and circumstances pertaining to the purchase of own shares. The purchase of own shares reduces the Company's unrestricted equity.
- The authorization was proposed to remain valid until the end of the following Annual General Meeting but in any case, no longer than 30 June 2023.

It was noted that 34.624.933 shares and votes, presenting 39.64411 % of all the shares and votes in the Company, participated in voting. A total of 39.624.378 votes, presenting 99,99 % of the given votes, voted for favoring the Board of Directors' proposal and 555 votes were against it. It was noted that none votes abstained from voting the Board of Directors' proposal. The number of shares, that were not voted by, was 100.000.

It was resolved that the Board of Directors is authorized to purchase the Company's own shares in accordance with the proposal by the Board of Directors.

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**AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON A SHARE ISSUE, ON THE ISSUANCE OF OPTIONS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES, AS WELL AS THE TRANSFER OF OWN SHARES**

It was noted that the Board of Directors had proposed that the Annual General Meeting shall authorize the Board of Directors to decide upon a share issue, on the issuance of options and other special rights, as well as the transfer of own shares in one or several instalments.

It was noted that the Board of Directors' proposal had been published as a stock exchange release on 11 April 2022. The proposal was also published in connection with the Notice to the Annual General Meeting on Lehto Group's website.

The principal conditions in the proposal are as follows.

- The maximum amount of authorization is 40.000.000 shares. The authorization includes the right to issue either new shares or own shares held by the company either against payment or without consideration.
- issue the new shares and Company's own shares can be issued in deviation from the shareholder's pre-emptive rights directly 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 for it both from the company's point of view and with regard to the benefit of all shareholders.
- Additionally, The Board of Directors shall be authorized 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.
- The authorization may be used, inter alia, to execute for approximately EUR 15 million equity-linked financing arrangement published on 11 April 2022, to execute Company's share-based incentive system, to develop the capital structure, to expand the ownership base, to use as consideration in transactions, or when the company purchases assets associated with its operations.
- The Authorization may be used, inter alia, to implement Company's share based incentive systems, to develop the capital structure, to expand the shareholder base, as a payment in acquisitions or if the Company acquires assets in connection with its business operations.
- The authorization remains valid until the end of the following Annual General Meeting but in any case, no longer than 30 June 2023. The authorisation shall replace the company's previous share issue and option authorizations.

It was noted that 24.724.933 shares and votes, presenting 39,75861 % of all the shares and votes in the Company, participated in voting. A total of 34.720.875 votes presenting 99,98 % of the given votes voted for favoring the Board of Directors' proposal and 4.058 votes, presenting 0,01 of given votes were against the Board of Directors' proposal. It was noted that none votes abstained from voting the proposal.

It was resolved that in accordance with the proposal by the Board of Directors, the Board of Directors is authorized to decide upon a share issue, issuance of options and other special rights entitling to shares in accordance with Chapter 10, Section 1 of the Limited Liability Companies Act.

## **18 CLOSING OF THE MEETING**

It was noted that all the decisions made at the Annual General Meeting were made according to the proposals of The Board of Directors and the Shareholders' Nomination Committee.

The Chairman of the Meeting noted that all the matters on the agenda had been closed. The minutes of the Annual General Meeting shall be kept available for the shareholders at the company's headquarters or on the company's website within two weeks (the Limited Liability Companies Act., Chapter 5, Section 23, Paragraph 4). Thus, the minutes shall be available on 16 May 2022 at the latest.

The Chairman declared the Meeting closed at 13.48 pm.

*Signatures on the following page*

## **In fidem**

\_\_\_\_\_  
[signed]  
Kirsi Putkonen  
Chairman of the Meeting

The Minutes have been examined and approved:

\_\_\_\_\_  
[signed]  
Virpi Virtanen  
Examiner of the Minutes

## **APPENDICES**

Appendix 1: The summary of the list of votes and results of voting

Appendix 2: The Notice to the Annual General Meeting

Appendix 3: The List of Attendance and Votes

Appendix 4: Chief Executive Officer's review

Appendix 5: Annual Report

Appendix 6: Auditor's Report

Appendix 6: Remuneration Report

Appendix 7: Proposals of the Shareholders' Nomination Committee