

Notice of the Annual General Meeting 2023 of Lehto Group Plc

Notice is given to the shareholders of Lehto Group Plc (the "Lehto Group" or "Company") to the Annual General Meeting (the "AGM") to be held on Thursday 30 of March 2023 at 1 p.m. Finnish time in Oulu, at Technopolis Smarthouse auditorium, Elektriikkatie 8, Oulu, Finland.

The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 12.30 p.m. Finnish time at the venue.

A. Matters on the agenda of the AGM

At the AGM, the following matters will be considered:

1. Opening of the meeting
2. Calling the meeting to order
3. Election of the persons to confirm the minutes and to 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
6. Presentation of the financial statements, the report of the Board of Directors and the auditor's report for the year 2022

- Review by the CEO

Lehto Group's financial statements, the report of the Board of Directors and the auditor's report will be available on the Company's website lehto.fi/en/agm.

7. Adoption of the financial statements
The Board of Directors proposes that the AGM adopt the financial statements. The Company's Auditor has recommended adopting the financial statements.
8. Resolution on the use of the profit shown on the balance sheet and the distribution of dividend

According to the balance sheet of the Company as per 31 December 2022 the free distributable equity of the parent company was EUR 47,702,699.67 of which the result for the financial year 2022 was EUR -19,547,063.98.

The Board of Directors proposes to the AGM that no dividend is paid based on the adopted balance sheet for the financial year ending 31 December 2022.

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

10. Presentation and adoption of the Remuneration Report

The remuneration report for governing bodies will be available on the Company's website lehto.fi/en/agm.

The Board of Directors proposes to the AGM that the Remuneration Report for the governing bodies shall be adopted. The resolution by the AGM on adoption of the Remuneration Report is advisory.

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

On the recommendation of Shareholders' Nomination Committee, the Board of Directors proposes to the AGM, that the remuneration for the members of the Board of Directors is as follows:

The yearly remuneration of the members of the Board of Directors is proposed to be paid on a share bases so that it is 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 Lehto Group Plc 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 after the AGM 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 AGM 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 AGM, in writing, that he/she shall abstain from accepting the Company 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

On the recommendation of Shareholders' Nomination Committee, the Board of Directors proposes to the AGM, that the Board of Directors shall have four (4) members.

13. Election of the members of the Board of Directors

On the recommendation of Shareholders' Nomination Committee, the Board of Directors proposes to the AGM, that the following persons, at their consent, should be re-elected as members of the Board of Directors: Eero Sihvonen, Anne Korhikoski, Hannu Lehto and Jani Nokkanen.

Helena Säteri has informed to the Shareholders' Nomination Committee that she will no longer be available to serve on the Board of Directors of Company after the AGM.

14. Resolution on the remuneration for the auditor

The Board of Directors proposes to the AGM that remuneration for the auditor be paid according to an invoice approved by the Company.

15. Election of auditor

On the recommendation of the Audit Committee, the Board of Directors proposes to the AGM that audit firm KPMG Oy Ab would be re-elected as the auditor. KPMG Oy Ab has notified the Company that in the event it will be elected as auditor, Authorised Public Accountant, KHT, Pekka Alatalo, will act as the responsible auditor. The proposed auditor has given his consent to be elected.

16. Authorizing the Board of Directors to decide on the repurchase of the Company's own shares

The Board of Directors proposes to the AGM that the Board of Directors be authorised to decide on the repurchase 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 repurchase of shares in different proportions than the proportion to the shares owned by the shareholders (directed purchase) with weighty financial reasons. Shares can be repurchased to execute the Company's share-based incentive systems, to implement arrangements linked to the Company's business operations, 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 repurchase of own shares. The repurchase 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 June 2024. The authorisation shall replace the Company's previous authorisations regarding the repurchase of Company's own shares.

17. Authorizing the Board of Directors to decide on the issuance of shares as well as 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 8,733,000 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 ten (10) 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 to implement share-based incentive systems, to pay the remuneration of the Board of Directors, to strengthen the capital structure, 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 June 2024. The authorisation shall replace the Company's previous share issue and option authorisations.

18. Closing of the meeting

B. Documents of the AGM

This notice of the AGM includes all the proposals for the decisions on the matters on the agenda of the AGM and is available on Company's website at lehto.fi/en/agm.

The financial statements, the report of the Board of Directors and auditors' report as well as the remuneration report for financial year 2022 will be available on the above-mentioned website. The above-mentioned documents will also be available at the AGM.

The minutes of the AGM will be available on the above-mentioned website as from 13 April 2023 at the latest.

C. Instructions for the participants in the AGM

1. Shareholders registered in the shareholders' register

Each shareholder, who is registered on the record date of the AGM, Monday 20 March 2023, in the shareholders' register of the Company maintained by Euroclear Finland Oy, has the right to participate in the AGM. Shareholders, whose shares are registered on their personal Finnish book-entry account or equity savings account, are registered in the shareholders' register of the Company.

The registration period for the AGM commences on Monday 3 March 2023 at 9 a.m. Finnish time.

A shareholder, who is registered in the Company's shareholders' register and who wants to participate in the AGM, must register for the AGM by giving a prior notice of participation, which has to be received by the Company no later than Monday 27 March 2023 by 10 a.m. Finnish time.

Such notice of registration can be given:

- a) on the Company's website: lehto.fi/en/agm.

Registration by natural persons requires strong electronic authentication. A natural person logging in the service via the Company's website will be directed to an electronic authentication page. Thereafter, the shareholder can register for the AGM and authorize a proxy representative. Strong electronic authentication takes place with personal online banking credentials or a mobile certificate.

Shareholders that are legal entities are required to provide the number of their Finnish book-entry account, their Business ID and other required information to register electronically.

For shareholders that are legal entities, no strong electronic authentication is required to register electronically. However, if a legal entity uses the electronic Suomi.fi authorisation service as further described below in section C.3, strong electronic authentication of the authorized individual is required either with personal online banking credentials or a mobile certificate.

- b) by telephone: +358 207 600 900 (Monday-Friday 9 a.m. - 3 p.m. Finnish time), EUR 0.08/call + EUR 0.23/min.

When registering, shareholders shall provide requested information, such as their name, date of birth/personal identification number or Business ID, address, telephone number, e-mail address and the name of any assistant or proxy representative and the date of birth/personal identification number of any proxy representative.

Shareholders or their authorised representatives or proxy representatives shall at the meeting venue, if required, be able to prove their identity and/or right of representation.

The personal data provided to Lehto Group Oyj will be used only in connection with the AGM 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 lehto.fi/en/agm.

2. Holders of nominee registered shares

Holders of nominee-registered shares have the right to participate in the AGM by virtue of such shares, based on which they on the record date of the AGM, Monday 20 March 2023, would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Oy. The right to participate in the AGM requires, in addition, that the shareholder on the basis of such shares has been registered in the temporary shareholders' register held by Euroclear Finland Oy no later than on Monday 27 March 2023 by 10 a.m. Finnish time. As regards nominee-registered shares this constitutes due registration for the AGM. Changes in shareholding after the record date do not affect the right to participate in the AGM or the number of voting rights held in the AGM.

Holders of nominee-registered shares are advised to request without delay necessary instructions from their custodian bank regarding the registration in the temporary shareholder's register of the Company, the issuing of proxy authorization documents and voting instructions, as well as registration for the AGM. The account operator of the custodian bank shall register a holder of nominee-registered shares, who wants to participate in the AGM, into the temporary shareholders' register of the Company at the latest by the time stated above.

For the sake of clarity, it is noted that holders of nominee-registered shares cannot register for the AGM on the Company's website, but they must be registered by their custodian banks instead.

3. Proxy representatives and powers of attorney

Shareholders may participate in the AGM and exercise their rights at the AGM by way of proxy representation. Proxy representatives shall produce a dated proxy document or otherwise in a reliable manner demonstrate their right to represent the shareholder at the AGM.

If a shareholder participates in the AGM by means of several proxy representatives representing the shareholder with shares in different securities accounts, the shares in respect of which each proxy representative represents the shareholder shall be identified in connection with the registration for the AGM.

The template for proxy is available in lehto.fi/en/agm.

Any proxy documents should be delivered by e-mail at agm@lehto.fi or Lehto Group Oyj / Yhtiökokous, Voimatie 6 B, 90440 Kempele, Finland before the last date for registration. The original proxy document should be presented at the meeting place at the latest. In addition to the delivery of proxy documents the shareholder or his/her proxy shall register for the AGM as described above in this notice.

Shareholders that are legal entities may also, as an alternative to traditional proxy authorization documents, use the electronic Suomi.fi authorization service for authorizing their proxy representatives. The representative is mandated in the Suomi.fi service at www.suomi.fi/e-authorizations (using the authorization topic "Representation at the General Meeting"). When registering for the AGM in Euroclear Finland Oy's general meeting service, authorized representatives shall identify themselves with strong electronic authentication, after which the electronic mandate is automatically verified. The strong electronic authentication takes place with personal online banking credentials or a mobile certificate. For more information, see www.suomi.fi/e-authorizations.

4. Other instructions/information

The meeting language is Finnish.

Pursuant to chapter 5, section 25 of the Companies Act, a shareholder who is present at the AGM has the right to request information with respect to the matters to be considered at the AGM.

On the date of this notice of the AGM the total number of shares in Lehto Group Plc is 87,311,287 outstanding shares, representing the same number of votes.

In addition, the Company holds on the date of this notice a total of 28,123 own shares, which cannot exercise voting rights at the general meeting.

In Kempele, 2 March 2023

LEHTO GROUP PLC

BOARD OF DIRECTORS

Additional information:

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