

**MINUTES  
No. 1/2017****ANNUAL GENERAL MEETING OF MARTELA CORPORATION**

**Time:** 14 March 2017 at 3.00 p.m. – 4.08 p.m.

**Place:** Martelatalo, Takkatie 1, 00370 Helsinki

**Present:** Shareholders were present at the meeting, in person or represented by proxy, in accordance with the list of votes adopted at the meeting.

In addition, the CEO Mr. Matti Rantaniemi, Ms. Minna Andersson nominee for the Board of Directors, LL.M. trained on the bench, Joni Paananen, LL.M. Ilona Piikama-Paajanen, Authorized Public Accountant Ari Eskelinen, and technical personnel as well as all members of the Board of Directors.

**1 §  
OPENING OF THE MEETING**

The Chairman of the Board of Directors, Mr. Heikki Martela opened the meeting, introduced the members of the Board of Directors present and the auditor and held a short presentation of the Company's operations.

**2 §  
CALLING THE MEETING TO ORDER**

Mr. Joni Paananen, LL.M. trained on the bench, was elected as Chairman of the Annual General Meeting and he called Ms. Ilona Piikama-Paajanen, LL.M., to act as secretary.

The Chairman explained the procedures for handling matters on the agenda of the meeting.

It was noted that the proposals of the Board of Directors and of the shareholders to the Annual General Meeting have been made public by a stock exchange release on 3 February 2017 and in their entirety on the Company's website on 21 February 2017.

The Chairman noted that some shareholders holding shares in the nominee register had delivered voting instructions to the company prior to the general meeting. The Chairman reported on the voting instructions delivered in advance by the shareholders registered in the nominee register, a summary of which was enclosed to the minutes ([Appendix 1](#)).

In accordance with a query by the Chairman, Antti Lehtovirta, Nordea Bank AB (publ.), representing certain nominee registered shareholders confirmed their voting instructions and procedures.

**Martela Oyj**

phone	+358 (0)10 345 50
fax	+358 (0)10 345 5744
address	Takkatie 1, Box 44, FI-00371 HELSINKI
VAT	0114891-2
internet	<a href="http://www.martela.com">www.martela.com</a>

**3 §****ELECTION OF PERSONS TO SCRUTINIZE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES**

Ms. Anne Parviainen and Mr. Petri Boman were elected to scrutinize the minutes and supervise the counting of votes.

**4 §****RECORDING THE LEGALITY OF THE MEETING**

It was noted that the notice to the meeting had been published on the Company's website and as stock exchange release on 3 February 2017.

It was noted that the Annual General Meeting had been convened in accordance with the Articles of Association and the Companies Act, and thus constituted a quorum.

The notice to the meeting was attached to the minutes ([Appendix 2](#)).

**5 §****RECORDING THE ATTENDANCE AT THE MEETING AND ADOPTION OF THE LIST OF VOTES**

A list of attendees as of the beginning of the meeting and a list of votes represented at the meeting were presented, according to which 54 shareholders were present either in person, by legal representative or by proxy. It was noted that 2 038 290 shares and 10 086 462 votes were represented at the beginning of the meeting.

The list of attendees at the beginning of the meeting and the list of votes represented at the meeting were attached to the minutes ([Appendix 3](#)). It was noted that the list of votes will be adjusted to correspond to the attendance at the beginning of a possible vote.

**6 §****PRESENTATION OF THE ANNUAL ACCOUNTS, THE REPORT OF THE BOARD OF DIRECTORS AND THE AUDITOR'S REPORT FOR THE YEAR 2016**

The CEO, Mr. Matti Rantaniemi presented a report in which he considered the Company's business and profit for the financial year 2016.

The report of the CEO was attached to the minutes ([Appendix 4](#)).

The annual accounts for the financial year 2016, consisting of the income statement, the balance sheet, cash flow statement, notes to the financial statements and the consolidated annual accounts as well as the report by the board of directors, attached to them were presented. It was recorded that the annual accounts of the parent company had been prepared in accordance with Finnish accounting standards and that the consolidated annual accounts are prepared in accordance with international financial reporting standards (IFRS).

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It was noted that the Company's annual accounts had been available on the Company's website since 21 February 2017, in addition to which they were also available at the meeting.

The documentation of the annual accounts was attached to the minutes ([Appendix 5](#)).

APA Ari Eskelinen presented the auditor's report, which was attached to the minutes ([Appendix 6](#)).

## **7 §**

### **ADOPTION OF THE ANNUAL ACCOUNTS**

The Annual General Meeting resolved to adopt the annual accounts for the financial year 1 January 2016 – 31 December 2016.

## **8 §**

### **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, on 31 December 2016 the distributable funds of the parent company were EUR 27,447,434.10 of which the profit for the financial year 2016 was EUR 5,438,441.10.

It was noted that the Board of Directors had proposed to the Annual General Meeting that a dividend of EUR 0.37 per share be paid for the financial year 1 January 2016 – 31 December 2016. According to the proposal the dividend be paid to the shareholders registered in the shareholders' register of the Company held by Euroclear Finland Ltd on the record date 16 March 2017. The Board of Directors had further proposed that the dividend be paid on 23 March 2017.

The proposal of the Board of Directors was attached to the minutes ([Appendix 7](#)).

The Annual General Meeting resolved, in accordance with the proposal by the Board of Directors that a dividend of EUR 0.37 per share be paid for the financial period of 1 January 2016 – 31 December 2016, to the shareholders registered in the shareholders' register of the company held by Euroclear Finland Ltd on the record date 16 March 2017. The dividend shall be paid on 23 March 2017.

## **9 §**

### **RESOLUTION ON THE DISCHARGE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CEO FROM LIABILITY**

It was noted that the discharging of liability for the financial year 1 January 2016 – 31 December 2016 concerned the following persons:

Mr. Heikki Martela, chairman of the Board of Directors

Ms. Kirsi Komi, member of the Board of Directors

Ms. Pinja Metsäranta, member of the Board of Directors

Mr. Yrjö Närhinen, member of the Board of Directors

Mr. Eero Leskinen, member of the Board of Directors

Mr. Eero Martela, member of the Board of Directors

Mr. Heikki Ala-Ilkka, member of the Board of Directors until 8 March 2016

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Ms Anni Vepsäläinen, member of the Board of Directors as of 8 March 2016, and Mr. Matti Rantaniemi, CEO.

The Annual General Meeting resolved to discharge the above-mentioned members of the Board of Directors and the CEO from liability.

## **10 §**

### **RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

It was noted that the Board of Directors had proposed to the Annual General Meeting that the chairman of the Board of Directors will receive EUR 3,400 per month and the other board members will receive EUR 1,700 per month. In addition, the Board of Directors had proposed that members of Board committees be paid EUR 1,600 per year for the committee membership. Board members employed by the Martela Group will not be paid the remuneration for the Board work. Compensation for travelling expenses will be paid according to Martela Corporation's travelling policy.

The proposal of the Board of Directors was attached to the minutes ([Appendix 8](#)).

The Annual General Meeting resolved to adopt the proposal of the Board of Directors regarding the remuneration of the members of the Board of Directors.

## **11 §**

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

It was noted that the shareholders representing more than 50 % of the company's voting rights had proposed to the Annual General Meeting that seven (7) members will be elected to the Board of Directors.

The proposal of the shareholders was attached to the minutes ([Appendix 9](#)).

The Annual General Meeting resolved, in accordance with the proposal by the shareholders mentioned above, that the number of the members of the Board of Directors is seven (7).

## **12 §**

### **ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS**

It was noted that the shareholders representing more than 50 % of the company's voting rights had proposed to the Annual General Meeting that Ms. Kirsi Komi, Mr. Eero Leskinen, Mr. Eero Martela, Mr. Heikki Martela, Mr. Yrjö Närhinen and Ms. Anni Vepsäläinen would be re-elected as members of the Board of Directors and Ms. Minna Andersson would be elected as a new member of the Board of Directors. In addition, it was noted that the members of the Board of Directors will be elected for a term which expires at the end of the first Annual General Meeting following the election.

The proposal of the shareholders was attached to the minutes ([Appendix 10](#)).

The Annual General Meeting resolved, in accordance with the proposal of the shareholders mentioned above, that Ms. Kirsi Komi, Mr. Eero Leskinen, Mr. Eero Martela, Mr. Heikki Martela, Mr. Yrjö Närhinen and Ms. Anni Vepsäläinen be re-elected as members of the Board of Directors and Ms. Minna Andersson be

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elected as a new member of the Board of Directors. The members of the Board of Directors be elected for a term which expires at the end of the first Annual General Meeting following the election.

### **13 § RESOLUTION ON THE REMUNERATION OF THE AUDITOR**

It was noted that the Board of Directors had proposed to the Annual General Meeting that the remuneration of the auditor be paid according to their invoice. The proposal of the Board of Directors was attached to the minutes ([Appendix 11](#)).

Shareholder Eero Harjanne proposed that auditor shall be paid according to the invoice approved by the Company. Chairman of the Board of Directors Heikki Martela notified that the Board will amend its proposal accordingly.

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors that the auditor's fees are paid according to the auditor's invoice approved by the Company.

### **14 § ELECTION OF AUDITOR**

It was noted that the Board of Directors had proposed to the Annual General Meeting that KPMG Oy Ab, Authorized Public Accountants, be re-elected as Company's auditor. The term of the auditor expires at the end of the first Annual General Meeting following the election.

The proposal of the Board of Directors was attached to the minutes ([Appendix 12](#)).

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors that KPMG Oy Ab, Authorized Public Accountants continues as the Company's auditor and that the term of the auditor expires at the end of the first Annual General Meeting following the election. It was noted that KPMG has informed that Mr. Ari Eskelinen, Authorized Public Accountant, will act as the principal auditor.

### **15 § AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE REPURCHASE OF OWN SHARES**

It was noted that the Board of Directors had proposed that the Annual General Meeting authorize the Board of Directors to decide on the repurchase of the Company's own shares in one or several occasions as follows:

Based on authorization the Board of Directors may resolve on the repurchase of a maximum of 415,560 Company's A shares with assets from the company's unrestricted equity.

Shares will be repurchased in public trading on Nasdaq Helsinki Ltd., at the market price of the shares as per the time of repurchase. Own shares may be repurchased when necessary as a part of the Company's salary and incentive scheme, for use in conjunction with corporate acquisitions and other business arrangements, if the Board deems this is in the interest of the shareholders in light of the company's share indicators, or if the Board deems it is an economical way of using liquid assets, or for some other purpose. Own

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shares repurchased to the Company may be retained in the possession of the Company, cancelled or transferred further.

The authorization grants the Board of Directors the right to resolve on all other terms of the repurchase of the shares. Thus this share repurchase authorization includes the right to repurchase shares otherwise than in proportion of the shareholdings.

This share repurchase authorization will be valid for one (1) year from the decision of the Annual General Meeting.

The proposal of the Board of Directors was attached to the minutes (Appendix 13).

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors to authorize the Board of Directors to decide on the repurchase of the Company's own shares.

## **16 §**

### **AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE SHARE ISSUE**

It was noted that the Board of Directors had proposed to the Annual General Meeting that the General Meeting authorize the Board of Directors to resolve to issue a maximum of 415,560 new A shares and/or to dispose of the Company's own A shares held by the Company either against payment or without payment ("Share Issue Authorization").

The Board of Directors be authorized to decide to whom and in what order the new shares may be issued and the own shares held by the Company will be disposed of.

The new shares may be issued and the shares held by the Company may be disposed to the shareholders in proportion to their current shareholdings of the Company's shares or through a directed share issue deviating from the shareholders pre-emptive right if the Company has a weighty financial reason in doing so.

The authorization includes the Board of Directors' right to resolve on other terms of the share issues.

The proposed authorization will be valid for one (1) year from the decision of the Annual General Meeting.

The proposal of the Board of Directors was attached to the minutes (Appendix 14).

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors to authorize the Board of Directors to decide on the share issue.

## **17 §**

### **CLOSING OF THE MEETING**

It was noted that all decisions of the Annual General Meeting had been made unanimously unless otherwise indicated in the minutes.

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The Chairman noted that the items on the agenda had been attended to and that the minutes of the meeting would be available on the company's website as from 28 March 2017.

The Chairman announced the meeting closed at 4.08 p.m.

Chairman of the General Meeting: *Joni Paananen*

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Joni Paananen

In fidem: *Ilona Pilkama-Paajanen*

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Ilona Pilkama-Paajanen

Minutes reviewed and confirmed by: *Anne Parviainen*

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Anne Parviainen

*Petri Boman*

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Petri Boman

## APPENDICES

- Appendix 1 Summary of the voting instructions delivered in advance by the holders of shares registered in the nominee register
- Appendix 2 Notice to the meeting
- Appendix 3 List of attendees and the list of votes represented at the meeting
- Appendix 4 Report of the CEO
- Appendix 5 Annual accounts documents
- Appendix 6 Auditor's report
- Appendix 7 Proposal of the Board of Directors concerning the payment of dividend
- Appendix 8 Proposal of the Board of Directors concerning the remuneration of members of the Board of Directors
- Appendix 9 Proposal of the shareholders concerning the number of members of the Board of Directors
- Appendix 10 Proposal of the shareholders concerning the election of the members of the Board of Directors
- Appendix 11 Proposal of the Board of Directors concerning the remuneration of the auditor
- Appendix 12 Proposal of the Board of Directors concerning the election of the auditor
- Appendix 13 Proposal of the Board of Directors for the authorization of the board of directors to decide on the repurchase of own shares
- Appendix 14 Proposal of the Board of Directors for the authorization of the Board of Directors to decide on the share issue

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