

## ANNUAL GENERAL MEETING OF TELESTE CORPORATION

**Time:** Wednesday, April 5, 2023 at 2.00 p.m.

**Place:** Vision 2-3 meeting room, Scandic Park Helsinki hotel, Mannerheimintie 46, Helsinki, Finland.

**Present:** The shareholders shown in the list of votes in Schedule 3 were present or represented at the meeting.

### 1 § OPENING OF THE MEETING

Timo Luukkainen, the Chairman of the Company's Board of Directors, opened the meeting and presented to the meeting the members of the Board of Directors and the CEO. The CEO presented other members of the management group. The Chairman noted that the Company's principally responsible auditor was also present and informed about the operations of the Board of Directors in the financial year 2022.

### 2 § CALLING THE MEETING TO ORDER

Olli Nikitin, Attorney-at-law, was elected the Chairman of the Annual General Meeting, who invited Teemu Linnell, the Company's legal counsel, to act as the secretary of the meeting.

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

The Chairman noted that some holders of nominee-registered shares had delivered to the Company voting instructions before the General Meeting and explained the content of the voting instructions.

It was noted that the holders of nominee-registered shares who had delivered voting instructions in advance were represented at the General Meeting by Skandinaviska Enskilda Banken AB Helsinki Branch, with the representative Kirsi Virkki, and Citibank Europe PLC, with the representative Maryama Hussein.

The holders of nominee-registered shares represented by Skandinaviska Enskilda Banken AB Helsinki Branch have cast an empty vote with a total of 3,494 votes on items 7 and 9, i.e. the adoption of the financial statements and discharge from liability, and voted against item 10 (approval of the remuneration report) with a total of 762 votes, item 13 (election of members of the Board of Directors) with a total of 4,364 votes and item 18 (amending the Articles of Association – remote meeting and newspaper announcement) with a total of 192,876 votes. The holder of nominee-registered shares represented by Citibank Europe PLC has voted against item 18 (amending the Articles of Association – remote meeting and newspaper announcement) with a total of 33,726 votes.

Other votes according to the voting instructions are in favor of the proposal of the Board of Directors.

It was noted that the holders of nominee-registered shares do not demand a vote and a full counting of votes if, based on the opinions delivered in advance and presented at the meeting, it can be clearly discovered that the majority of the votes and shares represented at the meeting required in relevant items are in favor of the proposal made to the General Meeting.

It was noted that a summary of the voting instructions and the voting instructions shall be enclosed with the minutes under this item on calling the meeting to order (Schedule 1), and they shall not be recorded in the minutes in subsequent items.

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

Vesa Nurminen was elected to act as the person to scrutinize the minutes.

Karoliina Lindroos was elected to act as the person to supervise the counting of votes.

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

It was noted that, according to Section 9 of the Articles of Association, the notice of the General Meeting shall be published on the Company's website no earlier than two (2) months and no later than three (3) weeks prior to the General Meeting, but in any case, at least nine (9) days prior the record date of the General Meeting. Within the same time limit, the Company shall publish information about the time and place of the General Meeting and the address of the Company's website in at least one newspaper decided by the Board of Directors.

It was noted that the notice to the meeting was published on March 8, 2023, on the Company's website and as a stock exchange release, and that information about the time and place of the General Meeting and the address of the Company's website was published on March 9, 2023, in Turun Sanomat and Helsingin Sanomat.

It was noted that the meeting was convened in accordance with law and constituted a quorum.

The notice to the General Meeting was enclosed with the minutes (Schedule 2).

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

According to the list of votes, 59 shareholders were present either in person or represented by a legal representative or an authorized proxy representative. It was noted that, at the beginning of the meeting, 9,250,601 shares and votes were represented at the meeting.

The list of votes was enclosed with the minutes (Schedule 3).

**6 § PRESENTATION OF THE FINANCIAL STATEMENTS, THE CONSOLIDATED FINANCIAL STATEMENTS, THE AUDITOR'S REPORT AND THE REPORT OF THE BOARD OF DIRECTORS FOR YEAR 2022**

It was noted that the documents regarding the financial statements had been available to shareholders on the Company's website as of March 14, 2023, in addition to which they had also been available at the meeting venue.

The CEO Esa Harju presented to the meeting the financial statements, consolidated financial statements and the report of the Board of Directors as well as an overview of the market situation.

It was noted that the financial statements, consolidated financial statements and the report of the Board of Directors had been presented for the General Meeting.

The Company's principally responsible auditor Markku Launis, Authorized Public Accountant, presented to the General Meeting an overview of the key aspects of the Company's audit and the opinion section of the auditor's report.

It was noted that the auditor's report had been presented for the General Meeting.

The documents regarding the financial statements were enclosed with the minutes (Schedule 4).

**7 § ADOPTION OF THE FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS**

The financial statements, which included the consolidated financial statements, for the financial year that ended on December 31, 2022, were adopted in the form presented by the Board of Directors.

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

The Board of Directors' proposal for the distribution of profit was approved, according to which no dividend shall be paid based on the adopted balance sheet for the financial year that ended on December 31, 2022.

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

The members of the Board of Directors and the CEO were discharged from liability for the financial year January 1 - December 31, 2022.

**10 § REMUNERATION REPORT**

It was noted that the remuneration report for the Company's governing bodies for the financial year January 1 – December 31, 2022, has been published as an attachment to the stock exchange release on March 14, 2023, as part of the Annual Report, and it has been available on the Company's website since that date.

The Chairman of the Board of Directors, Timo Luukkainen, presented the remuneration report for the governing bodies for the General Meeting. It was noted that the remuneration report for the governing bodies had been presented to the General Meeting.

It was resolved to approve the remuneration report for the governing bodies. The remuneration report was enclosed with the minutes (Schedule 5).

**11 § RESOLUTION ON THE NUMBER OF MEMBERS OF THE BOARD OF DIRECTORS**

It was noted that the proposals of Teleste Corporation's Shareholders' Nomination Board for the composition and remuneration of the Company's Board of Directors (agenda items 11–13) had been published as a stock exchange release on February 10, 2023, and they also appeared in the notice to the General Meeting published on March 8, 2023.

It was noted that according to Section 4 of the Articles of Association, the Company shall have a Board of Directors with a minimum of three (3) and a maximum of eight (8) members.

It was resolved that the number of members of the Board of Directors is six (6).

**12 § RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS**

It was resolved that the members of the Board of Directors to be elected will be paid annual remuneration as follows:

- EUR 66,000 per year for the Chairman and
- EUR 33,000 per year for each member.
- The annual remuneration of the Board member who acts as the Chairman of the Audit Committee is EUR 49,000 per year.

Out of the annual remuneration to be paid to the Board members, 40% of the total gross remuneration amount will be used to purchase Teleste Corporation's shares for the Board members through trading on a regulated market organized by Nasdaq Helsinki Ltd, and the rest will be paid in cash.

No separate meeting fee is to be paid to the members of the Board of Directors or to the Chairman of the Audit Committee. A meeting fee of EUR 400 per meeting is to be paid to the members of the Board of Directors' Audit Committee for those Audit Committee meetings that they attend.

**13 § ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS**

It was noted that according to Section 4 of the Articles of Association, the term of office of a member of the Board of Directors shall expire at the end of the following Annual General Meeting of Shareholders and the Board of Directors shall elect the Chairman of the Board of Directors among themselves.

It was resolved to elect the following persons as members of the Board of Directors: Timo Luukkainen, Jussi Himanen, Vesa Korpimies, Mirel Leino-Haltia, Heikki Mäkijärvi and Kai Telanne.

**14 § RESOLUTION ON THE NUMBER OF AUDITORS**

It was noted that according to Section 8 of the Articles of Association, the Company shall have at least one (1) and not more than two (2) auditors, who shall be auditors or Accounting Firms certified by the Central Chamber of Commerce. The auditors' duties shall cease at the end of the first Annual General Meeting of Shareholders following their election.

It was decided to elect one (1) auditor for the Company.

**15 § RESOLUTION ON THE REMUNERATION OF THE AUDITOR**

It was resolved that the auditor's fee would be paid according to the invoice approved by the Company.

**16 § ELECTION OF THE AUDITOR**

It was resolved to elect PricewaterhouseCoopers Oy, Authorized Public Accountants, as the auditor.

It was noted that PricewaterhouseCoopers Oy had announced that it would appoint Markku Launis, Authorized Public Accountant, as the Company's principally responsible auditor.

**17 § AMENDING THE ARTICLES OF ASSOCIATION – NUMBER OF AUDITORS**

The Chairman presented the Board of Directors' proposal to amend the Articles of Association, which is set out in its entirety in the notice to the General Meeting, according to which Section 8 of the Articles of Association would be amended to the following form:

**8 § Auditor**

The company's auditor shall be an Authorized Public Accountant firm which shall designate an Authorized Public Accountant as the auditor with principal responsibility.

The auditor's term shall end at the conclusion of the first Annual General Meeting of Shareholders following the auditor's election.

According to the proposal of the Board of Directors, Section 10 of the Articles of Association would be amended at the same time to the following form:

**10 § Annual General Meeting of Shareholders**

The Annual General Meeting of Shareholders shall be held annually on the date decided by the Board of Directors by the end of June in Kaarina, Turku or Helsinki.

At the meeting, the following shall be presented

1. the financial statements, which include the consolidated financial statements, and the report of the Board of Directors;
2. the Auditor's Report;

resolved upon

3. the adoption of the financial statements and the consolidated financial statements;
4. use of the profit shown on the balance sheet;
5. discharging the members of the Board of Directors and the Managing Director from liability;
6. the number of, and the fee payable to, the members of the Board of Directors;
7. the fee payable to the auditor;

elected

8. the members of the Board of Directors;
9. the auditor;

as well as considered

10. any other matters stated in the notice of the meeting.

It was resolved to approve the proposal of the Board of Directors to amend Sections 8 and 10 of the Articles of Association, as set out in the notice to the General Meeting.

## **18 § AMENDING THE ARTICLES OF ASSOCIATION – REMOTE MEETING AND NEWSPAPER ANNOUNCEMENT**

The Chairman presented the Board of Directors' proposal to amend the Articles of Association, which is set out in its entirety in the notice to the General Meeting, according to which Section 9 of the Articles of Association would be amended to the following form:

### **9 § Notice of Meeting**

Notice of the General Meeting of Shareholders shall be announced on Company's website no earlier than two (2) months and no later than three (3) weeks prior to the General Meeting of Shareholders, however, at least nine (9) days prior to the record date of the General Meeting of Shareholders. Within the same time the Company may, if so resolved by the Board, announce the time and place of the General Meeting of Shareholders as

well as the address of the Company's website in a newspaper regularly published in Finland.

A shareholder wishing to participate in the General Meeting of Shareholders shall notify the Company at the latest on date stated in the notice of the meeting, which date shall be no earlier than ten (10) days prior to the meeting.

The Board of Directors may decide that the Company's General Meeting of Shareholders is arranged without a meeting venue so that the shareholders exercise their full decision-making powers in real time by the use of telecommunication connections and technical means during the meeting (remote meeting).

It was decided to approve the proposal of the Board of Directors to amend Section 9 of the Articles of Association, as set out in the notice to the General Meeting.

It was recorded that shareholders Petteri Walldén, Pekka Viherto and Schengen Investment Oy, represented by Pekka Viherto, were against the approval of the Board of Directors' proposal with a total of 116,960 votes and demanded that the opposition be recorded in the minutes without demanding a vote or a full counting of votes on the matter.

## **19 § AUTHORIZING THE BOARD OF DIRECTORS TO RESOLVE ON THE REPURCHASE OF THE COMPANY'S OWN SHARES**

The Chairman presented the proposal of the Board of Directors to authorize the Board of Directors to decide on the repurchase of the Company's own shares, as set out in its entirety in the notice to the meeting.

The Board of Directors proposes that the General Meeting would resolve on authorizing the Board of Directors to decide on repurchasing a maximum of 1,200,000 own shares of the Company.

The Company's own shares shall be repurchased otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition.

The shares shall be repurchased and paid in accordance with the rules of Nasdaq Helsinki Ltd and Euroclear Finland Ltd.

The shares shall be repurchased for use as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments, to disburse the remuneration of the members of the Board of Directors or as part of the Company's incentive program or to be held by the Company, to be conveyed by other means or to be cancelled.

The Board of Directors shall decide on other terms and conditions related to the repurchase of the Company's own shares.

The repurchase authorization shall be valid for eighteen (18) months from the resolution of the General Meeting. The repurchase authorization revokes previously granted repurchase authorizations.

It was resolved to approve the proposal of the Board of Directors.

**20 § AUTHORIZING THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF SHARES AND SPECIAL RIGHTS ENTITLING TO SHARES**

The Chairman presented the proposal of the Board of Directors to authorize the Board of Directors to decide on the issuance of shares and special rights entitling to shares, as set out in its entirety in the notice to the meeting.

The Board of Directors proposes to the General Meeting that the Board of Directors would be authorized to decide on

- (i) issuing new shares and/or
- (ii) conveying the Company's own shares held by the Company and/or
- (iii) granting special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act on the following terms and conditions:

Right to shares:

New shares may be issued, and the Company's own shares held by the Company may be conveyed

- to the Company's shareholders in proportion to their current shareholdings in the Company; or
- by waiving the shareholder's pre-emption right, through a directed share issue if the Company has a weighty financial reason to do so, such as using the shares as consideration in possible acquisitions or other arrangements related to the Company's business, as financing for investments or using the shares for disbursing the portion of the Board of Directors' members' remuneration that is to be paid in shares or using the shares as part of the Company's incentive program.

The new shares may also be issued without payment to the Company itself.

Share issue against payment and without payment:

New shares may be issued, and the Company's own shares held by the Company may be conveyed either against payment ("Share Issue Against Payment") or without payment ("Share Issue Without Payment"). A directed share issue may be a Share Issue Without Payment only if there is an especially weighty financial reason both for the Company and with regard to the interests of all shareholders in the Company.

Maximum number of shares:

Based on the authorization, the Board of Directors is entitled to decide on the issuance of new shares and/or conveyance of the Company's own shares held by the Company so that a maximum of 2,000,000 shares may be issued and/or conveyed in total.

Granting of special rights:

The Board of Directors may grant special rights referred to in Chapter 10, Section 1 of the Finnish Companies Act, which carry the right to receive against payment new shares or the Company's own shares held by the Company. The right may also be granted to the Company's creditor in such a manner that the right is granted on condition that the creditor's receivable is used to set off the subscription price ("Convertible Bond").

The maximum number of new shares that may be subscribed and the Company's own shares held by the Company that may be conveyed by virtue of the special rights granted by the Company is 1,000,000 shares in total which number is included in the maximum number stated in Section "Maximum number of shares".

Recording of the subscription price in the balance sheet:

The subscription price of the new shares and the consideration payable for the Company's own shares shall be recorded under the invested non-restricted equity fund.

Other terms and validity:

The Board of Directors shall decide on all other terms and conditions related to the authorizations.

The authorizations shall be valid for eighteen (18) months from the resolution of the Annual General Meeting. The authorizations revoke previously granted authorizations to decide on the issuance of shares and special rights entitling to shares.

It was resolved to approve the proposal of the Board of Directors.

## **21 § CLOSING OF THE MEETING**

It was noted that the minutes of the meeting will be available on the Company's website no later than two weeks after the meeting.

As there were no other matters to discuss and all the matters in the notice to the meeting had been dealt with, the Chairman closed the meeting.

Chairman of the  
General Meeting:

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Olli Nikitin



UNOFFICIAL TRANSLATION

MINUTES  
No 1/2023

TELESTE CORPORATION  
ANNUAL GENERAL MEETING  
APRIL 5, 2023

10 (10)

In fidem:

\_\_\_\_\_  
Teemu Linnell

Minutes scrutinized  
and approved:

\_\_\_\_\_  
Vesa Nurminen