



10 April 2013

**TRANSLATION OF THE FINNISH ORIGINAL DOCUMENT**

**MINUTES  
No 1/2013**

**INCAP CORPORATION ANNUAL GENERAL MEETING**

**Time:** 10 April 2013 at 3.00 p.m. – 4.45 p.m.

**Place:** Hotel Kämp, Pohjoisesplanadi 29, Helsinki

**Present:**

Shareholders who were present at the meeting, in person or represented by proxy, are available in the list of votes adopted at the meeting.

Present were members of the Board of Directors, proposed new member of the Board of Directors Janne Laurila, President and CEO Sami Mykkänen, CFO Kirsti Parvi, Director of communications Hannele Pöllä, LL.M. Anu Kaskinen, Authorised Public Accountant Jari Karpinen as well as technical personnel.

**1 §**

**OPENING OF THE MEETING**

The Chairman of the Board of Directors Kalevi Laurila opened the meeting and presented a brief overview of the development of the company during recent years and introduced the attending members of the Board of Directors.

**2 §**

**CALLING THE MEETING TO ORDER**

Anu Kaskinen was elected as Chairman of the General Meeting and she called Hannele Pöllä to act as secretary.

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

It was noted that the documents concerning the annual accounts and the proposals of Board of Directors have been available at the company's website and at the headquarters at Valuraudankuja 7, 00700 Helsinki as from 19 March 2013. It was further noted that copies of the documents have been sent to shareholders on request.

**3 §**

**ELECTION OF PERSONS TO SCRUTINISE THE MINUTES AND TO SUPERVISE THE COUNTING OF VOTES**

Veikko Aaltonen was elected to scrutinise the minutes and Pekka Suikkari was elected to supervise the counting of votes.



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

It was noted that the notice to the meeting was published as stock exchange release and at Incap Corporation's website on 18 March 2013.

It was noted that the Annual General Meeting had been convened in accordance with the Articles of Association and the Companies Act and that the convening was therefore valid.

The notice to the meeting was enclosed to the minutes (Appendix 1).

**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 16 shareholders were present either in person or by proxy. It was noted that 11,267,497 shares and votes were represented in the meeting, which is about 50.0 percent of all the shares and votes of the company.

A list of attendees and a list of votes represented at the meeting were enclosed to the minutes (Appendix 2). It was noted that the list of votes will be adjusted to correspond with 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**

The President and CEO Sami Mykkänen presented a report in which he described Incap Group's activities and result for the financial year 2012.

The review of President and CEO was enclosed to the minutes (Appendix 3).

CFO Kirsti Parvi presented the annual accounts for the financial year 2012, consisting of the income statement, the balance sheet and cash flow statement including notes to the financial statements as well as the consolidated annual accounts and the report by the Board of Directors. It was recorded that the annual accounts of the parent company have been prepared in accordance with Finnish accounting standards and that the consolidated annual accounts have been prepared in accordance with international financial reporting standards (IFRS).

It was noted that the company's annual accounts had been available at Incap Corporation's website as from 19 March 2013, in addition to which they were also available at the meeting.

The documents of the annual accounts were enclosed to the minutes (Appendix 4).

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The auditor's report was presented and enclosed to the minutes (Appendix 5).

**7 §  
ADOPTION OF THE ANNUAL ACCOUNTS**

The Annual General Meeting resolved to adopt the annual accounts for the financial year 1.1.2012–31.12.2012.

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

It was noted that the loss in the balance sheet on 31 December 2012 amounted to EUR 5,505,693.92.

It was noted that the Board of Directors had proposed to the Annual General Meeting that no dividend will be distributed and the loss for the financial year EUR 5,505,693.92 will be transferred to retained earnings.

The proposal of the Board of Directors was enclosed to the minutes (Appendix 6).

The General Meeting resolved, in accordance with the proposal of the Board of Directors, that the loss for the financial year ending at 31 December 2012, EUR 5,505,693.92, will be transferred to retained earnings and no dividend will be distributed.

**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 1.1.2012–31.12.2012 concerned the following persons:

Kalevi Laurila, Chairman of the Board  
Lassi Noponen, Deputy Chairman of the Board  
Raimo Helasmäki, Member of the Board  
Kari Häyrinen, Member of the Board, until 11 April 2012  
Matti Jaakola, Member of the Board, as from 11 April 2012  
Susanna Miekko-oja, Member of the Board and  
Sami Mykkänen, President and CEO

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

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**10 §**

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

It was noted that shareholders that represent more than 10% of company's shares and votes had proposed to the Annual General Meeting that the members of the Board of Directors to be elected for the term of office beginning from this Annual General Meeting will be paid as in year 2012 as follows: Chairman of the Board of Directors EUR 48,000, Deputy Chairman of the Board of Directors EUR 36,000 and other members of the Board of Directors EUR 24,000. In addition EUR 200 per meeting shall be paid to each member of the Board for their participation in meetings of the Board of Directors. Eventual travel expenses will be compensated according to the company's travel regulations.

The proposal of the shareholders was enclosed to the minutes (Appendix 7).

The Annual General Meeting resolved to approve the shareholders' proposal on 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 shareholders that represent more than 10% of company's shares and votes had proposed to the Annual General Meeting that the number of the members of the Board of Directors shall be five (5).

The proposal of the shareholders was enclosed to the minutes (Appendix 8).

The Annual General Meeting resolved that the number of members of the Board of Directors is five (5).

**12 §**

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

It was noted that shareholders that represent more than 10% of company's shares and votes had proposed to the General Meeting that Raimo Helasmäki, Matti Jaakola, Susanna Miekko-oja and Lassi Nojonen shall be re-elected and Janne Laurila be elected as a new member to the Board of Directors. These persons have given their consent to the election. It was also noted that the members of the Board of Directors will be elected for a term of office ending at the end of the first Annual General Meeting to be held after their election.

The proposal from the shareholders was enclosed to the minutes (Appendix 9).

The Annual General Meeting resolved, in accordance with the proposal of the above shareholders, that Raimo Helasmäki, Matti Jaakola, Susanna Miekko-oja and Lassi Nojonen are re-elected and Janne Laurila is elected as a new member to the Board of Directors for a term of office ending at the end of the first Annual General Meeting to be held after their election.

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**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 will be paid against invoice.

The proposal of the Board of Directors was enclosed to the minutes (Appendix 10).

The General Meeting resolved in accordance with the proposal of the Board of Directors that the remuneration of the Auditor will be paid against invoice.

**14 §**

**ELECTION OF AUDITOR**

It was noted that the Board of Directors had proposed to the Annual General Meeting that the auditing firm Ernst & Young will be re-elected as an auditor of the company for a term of office expiring at the end of the next Annual General Meeting.

The proposal of the Board of Directors was enclosed to the minutes (Appendix 11).

The General Meeting resolved, in accordance with the proposal of the Board of Directors, that the auditing firm Ernst & Young Oy is re-elected auditor of the company for a term of office expiring at the end of the next Annual General Meeting. It was noted that Ernst & Young Oy had informed that the principal auditor will be Jari Karppinen, Authorised Public Accountant.

**15 §**

**ASCERTAINING THE FINANCIAL POSITION OF THE COMPANY AND MEASURES TO  
REMEDY THE COMPANY'S FINANCIAL POSITION**

Following the write-down on deferred tax assets in the financial statements for 2012 the equity of Incap Group's parent company decreases to less than one half of the share capital, and because of this the Board of Directors proposed – according to the Companies Act, chapter 20, section 23, paragraph 3 –that the Annual General Meeting would consider the financial position of the company.

President and CEO described to the Annual General Meeting the financial position of the company and presented an action plan to ensure the profitability of the company in 2013. The plan includes an issuance of shares, withdrawal of additional financing that has been granted by the bank, a reorganisation of the company's operations, enhancement of the efficiency of production as well as the improvement of inventory turn.

The General Meeting noted that the item in the agenda was hence attended.

**16 §**

**AUTHORISING THE BOARD OF DIRECTORS TO DECIDE ON THE ISSUANCE OF  
SHARES AS WELL AS THE ISSUANCE OF OPTIONS AND OTHER SPECIAL RIGHTS**



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## ENTITLING TO SHARES

It was noted that the Board of Directors has proposed to the Annual General Meeting that it shall authorise the Board of Directors to decide to issue a maximum of 300,000,000 new shares either against payment or without payment on the following conditions.

The new shares may be issued to the company's shareholders in proportion to their current shareholdings in the company or deviating from the shareholders' pre-emptive right through one or more directed share issue, if the company has a weighty financial reason to do so, such as developing the company's equity structure, implementing mergers and acquisitions or other restructuring measures aimed at developing the company's business, financing of investments and operations or using the shares as a part of the company's remuneration and compensation system. The Board of Directors would decide upon terms and scope related to share issues.

Based on the authorisation, the Board of Directors can pursuant to chapter 10, section 1 of the Companies Act, also decide on issuing other special rights entitling to new shares of the company.

The subscription price of the new shares can be recorded partly or fully to the invested unrestricted equity reserves or to equity according to the decision of the Board of Directors.

The Board of Directors is entitled to decide on conditions regarding the issuance of shares as well as the issuance of other special rights entitling to shares. The proposed authorisations would be valid for one year from the Annual General Meeting.

The proposal of the Board of Directors was enclosed to the minutes (Appendix 12).

The Annual General Meeting decided, in accordance with the proposal of the Board of Directors, to authorise the Board of Directors to decide on the issuance of shares as well as on the issuance of options and other special rights entitling to shares.

## 16 § CLOSING OF THE MEETING

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

The Chairman noted that the items on the agenda had been attended to and that the minutes of the meeting will be available at the company's website as from 23 April 2013 at the latest.

The Chairman announced the meeting closed at 4.45 p.m.

In witness thereof:

Chairman of the Annual General Meeting:

\_\_\_\_\_  
Anu Kaskinen



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Secretary:

\_\_\_\_\_  
Hannele Pöllä

Minutes reviewed and confirmed by:

\_\_\_\_\_  
Veikko Aaltonen

## **APPENDICES**

- Appendix 1 Notice to the Annual General Meeting
- Appendix 2 List of attendees and votes represented at the meeting
- Appendix 3 Review by the President and CEO
- Appendix 4 Annual Accounts
- Appendix 5 Auditor's report
- Appendix 6 Proposal by the Board of Directors on the use of the profit shown on the balance sheet and the payment of dividend
- Appendix 7 Proposal by shareholders on the remuneration of the members of the Board of Directors
- Appendix 8 Proposal by shareholders on the number of members of the Board of Directors
- Appendix 9 Proposal by shareholders on the election of the members of the Board of Directors
- Appendix 10 Proposal by the Board of Directors on the remuneration of the auditor
- Appendix 11 Proposal by the Board of Directors on the election of the auditor
- Appendix 12 Proposal by the Board of Directors on the authorisation for the issuance of shares as well as the issuance of other special rights entitling to shares