



MAGNUSSON

HONKARAKENNE OYJ

Terms and conditions of the directed share issue to personnel

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BACKGROUND

- On **10 January 2014**, the Board of Directors of Honkarakenne Oyj decided on a share issue on the basis of the authorisation given by the company's Annual General Meeting on 5 April 2013.
- The issue will invite company personnel working in Finland to subscribe for new Honkarakenne Series B shares.
- A maximum of 150,000 shares will be offered for subscription.
- The share issue seeks to encourage personnel to acquire and own the company's shares.



SUBSCRIPTION RIGHT

- Every Honkarakenne Oyj employee working in Finland who has a **valid, ongoing employment contract on 31 January 2014** is eligible to subscribe.
- Each person with the right to subscribe may make a maximum of one subscription during the share issue.
- The minimum subscription amount is one hundred (100) shares.
- Personnel may not sign over or transfer their subscription right to another person.



SUBSCRIPTION PRICE

- Subscription prices are: **EUR 1.35 per share** for the first 200 shares and **EUR 2.43 per share** for shares in excess of this amount.
- Subscription prices are based on the fair value of Honkarakenne Oyj Series B shares.
 - Defined according to the volume weighted average price during the month preceding the share issue decision (**7 December 2013–7 January 2014**).
- The discount on the first 200 shares is 50% of the average price and the discount on shares in excess of this amount is 10% of the average price.



- The subscription period begins at **9:00 am on 3 February 2014** and ends at **6:00 pm on 17 February 2014**.
- Subscriptions will be accepted at the company's headquarters:
 - Address: Lahdentie 870, 04430 Järvenpää, FINLAND
- Personnel can use their subscription right by returning an appropriately completed subscription form either in person at the above-mentioned address or by email to: **leena.aalto@honka.com**. The subscription price must also be paid:
 - Bank: Nordea IBAN account number FI17 2095 1800 0632 08
- Any subscription rights that remain unused at the end of the subscription period (17 February 2014) will expire and be void and worthless.



- Payment for subscribed shares must be made to the company's bank account by the last day of the subscription period (17 February 2014) at the latest.
- A subscription will only be considered valid and complete once the subscription price has been paid in full.
- Documents concerning the company's financial position, as referred to in Chapter 5, Section 21(2) of the Limited Liability Companies Act, will be available on the company's website and at company offices throughout the subscription period.
 - Including the company's last Financial Statements, Directors' Report and Auditors' Report.



SUBSCRIPTION APPROVAL

- When the subscription period has ended, the Board of Directors will approve the subscriptions and verify the final number of shares to be issued.
- A subscription may be approved in full or in part, or rejected in its entirety.
- Subscription approvals will be approached as follows:
 - I. Subscriptions for the first 200 shares will be approved in full; and
 - II. Small subscriptions will be favoured over single large subscriptions.



- If an email address was supplied in the subscription form, subscribers will be notified of the approval of their subscriptions by email.
- The company will publish the final results of the directed share issue in a stock exchange release (estimated publication date **10 March 2014**).
 - Immediately after this (estimated date **13 March 2014**) the company will return any excess subscription payments to subscribers.
 - Interest will not be paid on returned subscription payments.



ENTERING SUBSCRIPTIONS

- After the new shares have been entered into the trade register, they will be entered into subscribers' personal book-entry accounts.
- The subscribed shares will be issued as book-entry securities in the book-entry securities system maintained by Euroclear Finland Ltd.
- Shares will be available for trading on NASDAQ OMX Helsinki.
 - Trading code: HONBS
 - ISIN code: FI0009900104



TRANSFER RESTRICTION

- There is a temporary transfer restriction on subscribed shares
 - Subscribers may not transfer or pledge their subscribed shares as security before **17 February 2015**.
 - The company has the right to apply for a transfer restriction to be entered into a subscriber's book-entry account without the subscriber's consent.

SHAREHOLDERS' RIGHTS

- Once entered into the trade register, the shares offered for subscription will confer the same rights as other Series B shares and will entitle their bearers to all future dividends.
- Every share entitles the bearer to one vote at General Meetings.

NUMBER OF SERIES B SHARES

- There will be 4,868,872 Series B shares immediately before the share issue and, if all offered shares are subscribed for, 5,018,872 immediately after the issue.



TAXATION

- The discounted price for the first 200 shares is subject to income tax.
 - The difference between the fair value and the subscription price.

BOOK-ENTRY ACCOUNT

- Every share subscriber must have a book-entry account before making a subscription.
- The account can be opened at any bank.
- Shareholders will have to pay an account administration fee in accordance with their bank's current price list.