GLASTON CORPORATION'S BOARD OF DIRECTORS' PROPOSALS TO THE EXTRAORDINARY GENERAL MEETING TO BE HELD ON 26 FEBRUARY 2019

Proposal of the Board of Directors to carry out a reverse share split pursuant to Chapter 15, Section 9 of the Companies Act and thereto related redemption of shares in deviation from the proportional shareholdings of the shareholders
(agenda item 6)

The Board of Directors of Glaston Corporation (hereinafter "**Glaston**" or the "**Company**") proposes to the Extraordinary General Meeting that the General Meeting resolve that the number of shares in Glaston be reduced without reducing the share capital by merging each five shares in the Company to one share by means of the procedure provided in Chapter 15, Section 9 of the Limited Liability Companies Act (624/2006, as amended, the "**Companies Act**"). The purpose of merging the shares is to increase interest in the Company's share, to facilitate trade in the shares, and to increase flexibility in connection with a possible distribution of funds. The Board of Directors thus holds that merging the shares is in the interest of the Company and all of its shareholders and that the Company therefore has a weighty financial reason for the reverse share split and the related redemption of shares. The reverse share split does not affect the Company's equity.

The Board of Directors proposes that the reverse share split be carried out by redeeming without compensation, in deviation from the proportional shareholdings of shareholders as set out in the Chapter 15, Section 9 of the Companies Act, from every shareholder a number of shares corresponding to the result of multiplying the number of shares on each book-entry account on the reverse split date by a coefficient of 4/5, i.e., for each existing five shares, four shares will be redeemed. The number of shares owned by each shareholder will be determined separately for each book-entry account. In order to avoid share fractions, the number of shares redeemed from each shareholder will, if necessary, be rounded up to the nearest whole share.

The fractions of shares redeemed due to the rounding-up will be paid to the respective shareholders in cash as detailed below. If a shareholder owns less than five shares, all of the shares owned by the shareholder in the Company will be redeemed. In such an event, the shares will be sold on behalf of the shareholder and the proceeds from the sale will be paid to the shareholder in the same way as the proceeds acquired from the sale of the fractions of shares redeemed due to the rounding-up. In other respects, the redemption will be carried out without compensation.

The shares redeemed without compensation as part of the reverse share split will be cancelled immediately in connection with the redemption, with the exception of the aforementioned fractions of shares redeemed due to the rounding-up. Taking into account the cancellation of the Company's shares prior to the reverse share split as described below, based on the situation on the date of this notice to the General Meeting, the total amount of shares to be redeemed without compensation and cancelled immediately is a maximum of 154,906,508, excluding the fractions of shares redeemed due to the rounding-up.

The fractions of shares to be redeemed due to the rounding-up will be merged and sold without delay on the Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") securities exchange on behalf of the respective shareholders. The proceeds acquired from the sale will be paid to the shareholders in proportion to the difference between the number of shares redeemed from each shareholder and the number of shares that would be redeemed without the rounding-up. Interest will be paid on the proceeds for the period between the redemption and the time of payment of the proceeds pursuant to the applicable reference rate within the meaning of Section 12 of the Interest Act (633/1982, as amended).

The reverse split date, on the basis of which the shareholders' right to proceeds acquired from the sale of shares redeemed due to the rounding-up is determined, is 28 February 2019. The reverse share split will be executed in the book-entry system after the close of trading on the reverse split date. The cancellation of shares and the new total number of shares in the Company will be evidenced in the Trade Register on or about 1 March 2019 at the latest. Trading with the new total number of the Company's shares will commence on Nasdaq Helsinki with a new ISIN code on or about 1 March 2019. Proceeds acquired from the shares sold due to the rounding-up will be paid to shareholders entitled thereto on or about 8 March 2019. If necessary, the trading with the Company's share on Nasdaq Helsinki shall be temporarily interrupted in order to perform necessary technical measures in the trading facility after the reverse split date.

Before carrying out the reverse share split, the Company will, if necessary cancel such number of its shares upon request or consent by one or several shareholders that the total number of issued shares in the Company will be divisible by five before the reverse share split. Based on the total number of registered shares in the Company as on the date of this notice to the general meeting, the Company has resolved to cancel one of its shares at the request of a shareholder. This cancellation and thereto-related reduction in the total number of shares in the Company will be filed for registration without delay.

The Board of Directors also proposes to the Extraordinary General Meeting that the General Meeting resolve to amend the authorisation given by the Annual General Meeting on 10 April 2018 on the issuance of shares as well as the issuance of option rights and other special rights entitling to shares in such manner that the reverse share split is taken into account therein in the above-mentioned proportion so that the authorisation would comprise a total of a maximum of 4 000 000 shares, which corresponds to approximately 10 per cent of the shares in the Company following the registration of the reverse share split.

If implemented, the arrangement will not require any measures from shareholders.

Decisions required by the Transaction (defined below) on the share issue authorisations to be granted to the Board of Directors
(agenda item 7)

In accordance with the stock exchange release published on 25 January 2019, Glaston has signed an agreement to acquire Swiss Bystronic Maschinen AG and German Bystronic Lenhardt GmbH, as well as the subsidiaries owned by them, by means of a share acquisition from Conzzeta AG and Conzzeta Holding Deutschland AG for an enterprise value of EUR 68 million (the "**Transaction**"). By the Transaction, Glaston strengthens its positions as one of the leading players in the glass processing technology market and expands its offering in glass processing technologies for the architectural, automotive and display markets. To finance part of the Transaction, the Company has negotiated with certain of its existing shareholders on a directed share issue of approximately EUR 15,000,000 (the "**Directed Share Issue**") and on a share issue of approximately EUR 32,000,000 pursuant to the shareholders' pre-emptive subscription right (the "**Rights Issue**").

The Transaction is conditional, among other things, on the granting of the required share issue authorisations to the Board of Directors by the Extraordinary General Meeting of the Company as well as obtaining the regulatory approvals required by the completion of the Transaction. The Transaction has been described in more detail in the Company's stock exchange release published on 25 January 2019. Closing of the Transaction is expected by the end of the first quarter of 2019. The Directed Share Issue is intended to be completed in connection with closing of the Transaction, and the Rights Issue is expected to be launched during the second quarter of 2019.

In order to carry out the Transaction, the Board of Directors of the Company proposes to the Extraordinary General Meeting that the Board of Directors be authorised to resolve on the Directed Share Issue and, conditional upon the completion of the Transaction, on the Rights Issue in the manner presented in more detail in items (a) – (b) below. The proposals of the Board of Directors set forth in the mentioned items form one entity, the adoption of which requires the adoption of both individual items by a single decision.

The Company's existing shareholders AC Invest Eight B.V., Hymy Lahtinen Oy, Ilmarinen Mutual Pension Insurance Company, and Varma Mutual Pension Insurance Company, together representing approximately 43.4 per cent of all the shares and votes in the Company (the "**Anchor Investors**"), have, provided that certain conditions are met, irrevocably undertaken to support the presented proposals and to subscribe for shares in the Directed Share Issue and, with the exception of Ilmarinen, in the Rights Issue.

(a) Authorising the Board of Directors to decide on the Directed Share Issue

The Board of Directors proposes to the Extraordinary General Meeting that the Board of Directors be authorised to resolve on the issuance of new shares or treasury shares held by the Company by way of a directed share issue, in derogation from the shareholders' pre-emptive subscription right. The proceeds received by the Company as a result of the Directed Share Issue will be used to finance part of the Transaction, wherefore the Company has a weighty financial reason to derogate from the shareholders' pre-emptive subscription right.

The issued shares will be offered for subscription to the Anchor Investors in accordance with their respective subscription undertakings. The total number of shares issued in the Directed Share Issue may not exceed 38,000,000, which corresponds to approximately 19.6 per cent of all the existing shares in Glaston, and would correspond to approximately 16.4 per cent of all the shares in Glaston following the completion of the Directed Share Issue. For the avoidance of doubt, it is noted that the effect of the reverse share split set out in the agenda item 6 above on the quantity of shares has not been taken into account in this proposed maximum number of shares subject to the authorisation. In the event the General Meeting approves the reverse share split pursuant to the proposal of the Board of Directors, the number of shares covered by the authorisation shall be decreased so that the authorisation shall apply to a total maximum of 7,600,000 shares. In the event the General Meeting resolves to approve the reverse share split applying other reverse split ratio than the one proposed in the agenda item 6 above, the authorisation regarding the Directed Share Issue shall be amended so that it corresponds to a number of shares that is approximately equal to a maximum of 19.6 per cent of the total number of shares immediately after the completion of the reverse share split.

The subscription price is EUR 0.405 per share, which corresponds to the volume-weighted average price of the Glaston share on Nasdaq Helsinki in the five trading days immediately preceding the announcement of the Transaction. For the avoidance of doubt, it is noted that in the event the General Meeting approves the reverse share split pursuant to the proposal of the Board of Directors in the agenda item 6 above or if the General Meeting resolves to approve the reverse share split applying other reverse split ratio than the one proposed in the said item, the subscription price per share used in the Directed Share Issue shall be adjusted accordingly. The Board of Directors decides on all other terms and conditions of the Directed Share Issue. The registration of the new shares issued in the Directed Share Issue is conditional upon the completion of the Transaction.

The authorisation is valid until 31 December 2019. If the Extraordinary General Meeting decides to approve the proposed authorisation, it will not revoke the authorisation granted to the Board of Directors by the Annual General Meeting on 10 April 2018 on the issuance of shares as amended above in the agenda item 6.

Glaston will apply for the listing of the shares issued in the Directed Share Issue on the official list of Nasdaq Helsinki as soon as possible following the completion of the Directed Share Issue and the Transaction.

(b) Authorising the Board of Directors to decide on the Rights Issue

The Board of Directors proposes to the Extraordinary General Meeting that the Board of Directors be authorised to resolve on the issuance of new shares or treasury shares held by the Company pursuant to the shareholders' pre-emptive subscription right in such manner that the shareholders have a primary right to subscribe for new shares pro rata to their existing holding in the Company. The proceeds received by the Company as a result of the Rights Issue will be used to finance part of the Transaction.

The total number of shares issued in the Rights Issue may not exceed 230,000,000. For the avoidance of doubt, it is noted that the effect of the reverse share split set out in the agenda item 6 above on the quantity of shares has not been taken into account in this proposed maximum number of shares subject to the authorisation. In the event the General Meeting approves the reverse share split pursuant to the proposal of the Board of Directors, the number of shares covered by the authorisation shall be decreased so that the authorisation shall apply to a total maximum of 46,000,000 shares. In the event the General Meeting resolves to approve the reverse share split applying other reverse split ratio than the one proposed in the agenda item 6 above, the authorisation regarding the Rights Issue shall be amended so that the number of shares mentioned above, i.e. 230,000,000, is divided by the ratio applied in the reverse share split and rounded down, if necessary, to the nearest whole share.

The authorisation includes the right of the Board of Directors to, in a possible secondary subscription, resolve upon the allocation of shares that at the end of the subscription period of the Rights Issue may remain unsubscribed for pursuant to the shareholders' pre-emptive subscription right to parties determined by the Board of Directors. The Board of Directors decides on all other terms and conditions of the Rights Issue, including the subscription and payment period, the grounds for determining the subscription price and the subscription price as well as that the subscription price may also be paid fully or in part with assets other than money.

The authorisation is valid until 30 April 2020. If the Extraordinary General Meeting decides to approve the proposed authorisation, it will not revoke the authorisation granted to the Board of Directors by the Annual General Meeting on 10 April 2018 on the issuance of shares as amended above in the agenda item 6, nor the share issue authorisation set forth above in item (a).

Glaston will apply for the listing of the shares issued in the Rights Issue on the official list of Nasdaq Helsinki as soon as possible following the completion of the Rights Issue in the manner set out in the prospectus to be published in connection with the Rights Issue.

Helsinki, 1 February 2019

GLASTON CORPORATION
Board of Directors