



## **MINUTES FROM ANNUAL GENERAL MEETING IN ELTEK ASA**

On 18 April 2002 at 1830 the Annual General Meeting in Eltek ASA was held at Gråterudveien 8, Drammen, Norway.

The following issues were discussed and resolved:

### **1. Opening of the General Meeting and recording of meeting shareholders**

Erik Thorsen opened the Meeting in accordance with the resolution by the Board of Directors.

A list of the shareholders present, in person or by proxy, is enclosed to these minutes. As a total, 65.45 % of the share capital and the votes were present.

### **2. Appointment of a chairman of the General Meeting and of a person to co-sign the minutes from the General Meeting**

The Chairman of the Board, Erik Thorsen, was elected as chairperson. Inge Forseth was appointed to co-sign the minutes from the General Meeting together with the chairman.

The resolution was passed unanimously.

### **3. Approval of the notice and the agenda of the General Meeting**

There were no objections to the calling of or the agenda for the General Meeting. The chairman announced the General Meeting as legally convened.

### **4. Information on the company's general state of affairs**

Morten F. Angelil informed regarding the company's results 2001 and the state of affairs as at 31.12.2001.

Questions were asked and answered.

The General Meeting noted the presentation.

### **5. Approval of the annual accounts and report of the board of directors for the financial year 2001, including allocation of profit and presentation of the auditors' report**

## ***TRANSLATION FROM NORWEGIAN***

The proposal on annual accounts and report of the board of directors for the financial year 2001, as appended to the notice of the General Meeting, was presented. The proposal shows a net profit of NOK 1 419 000.

In accordance with the Board's proposal, the General Meeting voted on the following resolution:

*"The General Meeting approves the auditors' report for 2001. The General Meeting approves the annual accounts and report of the board of directors as the company's financial statements for 2001 and balance sheet pr. 31.12.2001. The year's profit of NOK 1 419 000 is booked against other equity."*

The resolution was passed unanimously.

### **6. Reduction of the company's share premium reserves (premium fund) by transfer to other equity**

It was accounted for the Board's proposal to reduce the company's share premium reserves (premium fund) by transfer from the share premium reserves (premium fund) to other equity as set out in item 6 of the notice of the General Meeting. The purpose of the proposal is to increase flexibility with regard to future payment of dividend and acquisition of own shares.

In accordance with the Board's proposal, the General Meeting voted on the following resolution:

*"The company's share premium reserves are reduced by NOK 722,101,000 to NOK 0 by transfer from share premium reserves to other equity."*

The resolution was passed unanimously.

### **7. Adjustment of the Board of Director's authority to issue new shares**

#### **7.1 Presentation of current powers of attorney**

It was accounted for the remaining powers of attorney the Board currently has to increase the company's share capital, for the existing and contemplated new option programs in the company and for the proposal to grant the Board new powers of attorney as set out in item 7 of the notice of the General Meeting.

#### **7.2 New power of attorney to the Board related to the company's stock option programs**

In accordance with the Board's proposal as set out in item 7.2 of the notice of the General Meeting, the General Meeting voted on the following resolution:

## **TRANSLATION FROM NORWEGIAN**

*“1. The power of attorney to the Board of Directors to increase the share capital by up to NOK 500,000, as given in the Annual General Meeting 26.04.00, amended in the Extraordinary General Meeting 16.10.00 and extended in the Annual General Meeting 26.04.01, is withdrawn and replaced by the power of attorney given in item 3. below.*

*2. The power of attorney to the Board of Directors to increase the share capital by up to NOK 1,000,000, as given in the Annual General Meeting 26.04.01, is withdrawn and replaced by the power of attorney given in item 3. below.*

*3. The Board of Directors of the company is granted a power of attorney to increase the company's share capital with up to NOK 1,355,500. The power of attorney shall be used when issuing shares pursuant to option agreements entered into between the company and the employees and Directors of the company. The Board of Directors decides the subscription price and other conditions for subscription. The shareholders' preferential right according to the Norwegian Public Liability Companies Act § 10-4 can be derogated from. The power of attorney is valid for 2 years from the date of this resolution.”*

The resolution was passed unanimously.

### **7.3 Replacement of general power of attorney to issue shares**

In accordance with the Board's proposal as set out in item 7.3 of the notice of the General Meeting, the General Meeting voted on the following resolution:

*“1. The power of attorney to the Board of Directors to increase the share capital with up to NOK 5,000,000 given in the annual General Meeting 26.04.00 is withdrawn to the extent it has not been utilised.*

*2. The Board of Directors is given a power of attorney to increase the share capital with up to NOK 4,941,270. The Board of Directors shall determine the subscription price and other conditions for subscription. The shareholders' preferential right according to the Norwegian Public Liability Companies Act § 10-4 can be derogated from, wholly or partially, at the discretion of the Board of Directors. The power of attorney covers an increase of the share capital against non-cash contributions or a right to incur special obligations for the company, cf. the Norwegian Public Liability Companies Act § 10-2, or a resolution on a merger in accordance with the Norwegian Public Liability Companies Act § 13-5. The authorization can be used in connection with a take-over situation, cf. the Stock Exchange Act § 4-9, and the Securities Trading Act § 4-17. The power of attorney is valid for 2 years from the date of this resolution.”*

The resolution was passed unanimously.

## ***TRANSLATION FROM NORWEGIAN***

### **7.4 Power of attorney to issue shares in connection with new option program**

In accordance with the Board's proposal as set out in item 7.4 of the notice of the General Meeting, the General Meeting voted on the following resolution:

*“The Board of Directors is given power of attorney to increase the share capital with up to NOK 1,000,000. The power of attorney shall be used when issuing shares pursuant to option agreements entered into between the company and the employees and Directors of the company. The Board of Directors decides the subscription price and other conditions for subscription. The shareholders' preferential right according to the Norwegian Public Liability Companies Act § 10-4 can be derogated from. The power of attorney is valid for 2 years from the date of this resolution.”*

The resolution was passed unanimously.

### **7.5 Granting of options to members of the Board of Directors**

In accordance with the Board's proposal as set out in item 7.5 of the notice of the General Meeting, the General Meeting voted on the following resolution:

*“The Board's shareholder elected members are granted options to subscribe for shares in the company as follows:*

<i>Erik Thorsen (chairman)</i>	<i>40,000</i>
<i>Alain F. Angelil</i>	<i>25,000</i>
<i>William H. Crown</i>	<i>25,000</i>
<i>Joe T. Ford</i>	<i>25,000</i>
<i>Arve Johansen</i>	<i>25,000</i>
<i>Edward S. Weil</i>	<i>25,000</i>

*Share issues in connection with exercise of options are carried out by the Board of Directors under the power of attorney granted under item 7.4 above. The conditions for the company's option program apply.”*

The resolution was passed unanimously.

## **8. Power of attorney for acquisition of shares in the company**

It was accounted for the Board's proposal that the power of attorney to acquire own shares granted in the Annual General Meeting on 26.04.01 is replaced with a new power of attorney.

In accordance with the Board's proposal as set out in item 8 of the notice of the General Meeting, the General Meeting voted on the following resolution:

## **TRANSLATION FROM NORWEGIAN**

*“1.The power of attorney to the Board of Directors to purchase the company’s own shares given in the Annual General Meeting 26.04.01 is withdrawn.*

*2. The Board of Directors is given the power of attorney to buy the company’s own shares up to a total par value of NOK 2,446,338, representing 10 % of the company’s current share capital. The compensation paid per share shall be minimum NOK 15 and maximum NOK 750. The Board of Directors is vested with the power and discretion, within the limits of the Norwegian Public Limited Companies Act’s principle of equal treatment, cf. § 6-28 (1), to decide in which manner purchase and sale of own shares shall take place. The power of attorney shall be for continuous use. If own shares are sold, the power of attorney also encompasses purchase of new shares to replace sold shares, as long as the total holding does not exceed 10 % of the company’s share capital. The power of attorney shall be in force until the next Annual General Meeting of the company, but under no circumstances longer than for 18 months from the date of this resolution.”*

The resolution was passed unanimously.

### **9. Election of new auditor**

In accordance with item 9 of the notice of the General Meeting, the Board proposed that the General Meeting elected new auditor as follows:

*“PricewaterhouseCoopers is appointed as the company’s new auditor.”*

The resolution was passed unanimously.

### **10. Election of new board members**

In accordance with item 10 of the notice of the General Meeting, the Board proposed that the General Meeting elected new shareholder representatives to the Board of Directors as follows:

*“As shareholder representatives on the Board of Directors are appointed:*

*Erik Thorsen – Chairman of the Board  
Alain F. Angelil  
William H. Crown  
Joe T. Ford  
Arve Johansen  
Edward S. Weil”*

The resolution was passed unanimously.

*TRANSLATION FROM NORWEGIAN*

**11. Remuneration to the board of directors and auditor for 2001**

In accordance with the Board's proposal as set out in item 11 of the notice of the General Meeting, the General Meeting voted on the following resolution regarding remuneration to the members of the Board of Directors:

*"Remuneration shall be paid to the Board of Directors for 2001 with NOK 250,000 to the chairman of the Board and NOK 150,000 to each of the other shareholder elected Board members. For members of the Board elected by the employees a remuneration of NOK 30,000 shall be paid to each."*

The resolution was passed unanimously.

In accordance with the Board's proposal as set out in item 11 of the notice of the General Meeting, the General Meeting voted on the following resolution regarding remuneration to the company's auditor:

*"Remuneration shall be paid to the auditor for auditing and advise for 2001 according to invoice from the auditor of NOK 305,000."*

The resolution was passed unanimously.

\* \* \*

No further issues were to be discussed and resolved, and the General Meeting was closed.

Drammen, 18 April 2002

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Erik Thorsen  
(sign.)

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Inge Forseth  
(sign.)