

PROKAPITAL

NOTICE OF CALLING THE ANNUAL GENERAL MEETING OF AS PRO KAPITAL GRUPP SHAREHOLDERS

Dear shareholder of AS Pro Kapital Grupp,

We announce that the Management Board is calling for the annual general meeting of AS Pro Kapital Grupp (registration code 10278802, located at Sõjakooli 11 Tallinn Republic of Estonia) (hereinafter the Company) shareholders which shall take place on the 23rd of May, 2019 at 13.00 at the premises of the Company, Sõjakooli 11 Tallinn Republic of Estonia. Registration of the shareholders for the meeting shall start on the 23rd of May, 2019 at 12.45 and shall end at 13.00 at the location of the meeting.

The reason for calling the annual general meeting is to decide on approval of the annual report for the financial year of 2018, election and remuneration of the auditor, prolongation of term of two Supervisory Council members, recalling of one and election of one new Council member, amendment of the Articles of Association of the Company and preclusion of the pre-emptive purchase right of new shares if used to pay Management bonus fee. The proposal to call the annual general meeting of shareholders was made by the Management Board of the Company.

The agenda of the meeting is as follows:

1. Election of the Chairman and Secretary of the annual general meeting of shareholders

The Management Board's proposal:

Elect Ilona Nurmela as the Chairman of the annual general meeting of the shareholders. Elect the Secretary of the meeting as per suggestions made at the meeting.

2. Approval of the audited annual report of the Company for the financial year of 2018

The Company has prepared the annual report for the financial year of 2018. The report has been audited and the audited report has been made available to the shareholders. It is the competency of the shareholders to approve the annual report.

The Councils and Management Boards proposal and draft of the resolution:

Approve the audited annual report of the Company for the financial year of 2018.

3. Resolution on allocation of profit

The Company's net profit for the financial year which ended 31 December 2018 was in the amount of 18,056,907 euros. In accordance with the law and articles, until the mandatory

reserve capital amount is reached, annually, the company needs to allocate at least 1/20 of the net profit to its statutory reserve.

The Councils and Management Boards proposal and draft of the resolution:

Transfer 51,627.58 euros of the profit to the statutory reserve.

Transfer 18,005,279.42 euros of the profit to the retained earnings of previous periods.

4. Extending the term of office, recalling and election of the Supervisory Council members

All three Supervisory Council members have been elected until 05.07.2019. One of the independent Supervisory Council members, Mr Pertti Huuskonen wishes to dedicate more time to his family and has tendered his resignation effective from 23.05.2019. The other independent member of the Company's Supervisory Council, Mr Olkinuora and the Chairman, Mr Bozzone, have consented to stand for re-election. The Chairman has consulted with the majority shareholders and the main shareholder of the company has suggested that his presence on the Council would benefit the Company. The Commercial Code (*äriseadustik*) allows the Council to be elected for less than 5 years, if the Articles of the company allow it (§ 319 s.3) and the Articles do allow it. Thus, the Management Board of the Company is proposing to prolong the term of two existing members, recall Mr Huuskonen and in his stead elect a new third Supervisory Council member as follows:

The Council's and Management Board's proposals and draft resolutions:

- 4.1. Prolong the term of office of Emanuele Bozzone as a member of the Supervisory Council of the Company for one year until 05.07.2020.
- 4.2. Prolong the term of office of Petri Altti Sakari Olkinuora as a member of the Supervisory Council of the Company for one year until 05.07.2020.
- 4.3. Recall Pertti Pellervo Huuskonen from the Supervisory Council of the Company, effective from 23.05.2019.
- 4.4. Elect Ernesto Achille Preatoni as a member of the Supervisory Council of the Company for the term of one year until 22.05.2020.

CV data and presentation of the Council Members can be accessed on homepage www.prokapital.com sub-section "the Company".

Principles and sums of remuneration of members of Supervisory Council remains as decided at 20.06.2016 General Meeting of shareholders.

5. Election of the auditor

In financial year of 2018 AS Deloitte Audit Eesti has provided audit services to the Company in relation to the audit of the annual report. In the opinion of the Council the auditor has performed the services in accordance with the agreement and the Council does not have any objections as to the service provided. The auditor has confirmed as required by the corporate governance recommendations that it has no work, economic or other relations that would threaten its independence while rendering auditing service.

In 2019, the Management Board of the Company took offers for the audit from different audit companies for audit of next 2+2 years. The recommendation of the audit committee and the Council is to continue the collaboration with AS Deloitte Audit Eesti as their price offer and quality of work is considered to be in the best proportion.

The Council's and Management Board's proposal and draft of the resolution:

Elect AS Deloitte Audit Eesti as the auditor of the Company for the financial year of 2019.

To approve the principles for remuneration of the auditor as per the agreement to be signed with the auditor. Approve the fee payable to the auditor for the audit of Company and its subsidiaries for the financial year of 2019 in the amount of 53 800 Euros (net of VAT).

6. Amendment of the Articles of Association of the Company

In order to allow flexibility in attracting additional capital for the business activities of the Company, the Council and the Management Board propose to reinstate the articles of association of the Company by giving the Council the right for 3 years to increase the share capital of the company by up to 1 200 000 Euros (approximately 10% of Company's share capital). The right to increase the share capital of the Company was granted to the Council for 3 years also based on the shareholders decision dated 17.06.2016, but the period to use the right is about to expire in June 2019. Since there is already such a provision in the Articles, they do not need to be amended, just reapproved from a new date.

The Councils and Management Board proposal and draft of the resolution:

6.1. To re-instate the article 5.8 of the articles of association and approve the articles of association as follows:

"The Supervisory board (Council) has the right to increase the share capital of the Company by up to 1 200 000 Euros within 3 years as from adopting this version of the articles of association. Shares issued by the Council may be paid for by monetary contributions and/or by non-monetary contribution, if so resolved by the Council. Non-monetary contribution shall be valued pursuant to law and these articles of association."

6.2. Re-approve the existing version of the articles of association with the referred reinstated amendment from a new date.

7. Precluding shareholders' pre-emptive purchase right

Pursuant to agreement concluded between the CEO and the Company terms and conditions for payment of Bonus Fee to the CEO were agreed. The Company is entitled to pay the Bonus Fee in shares of the Company.

The pre-emptive right of the existing shareholders of the Company to subscribe for the shares may be cancelled by way of a decision of the general meeting of shareholders in accordance with § 345 (1) of the Commercial Code (*äriseadustik*). A claim of any person wishing to subscribe for new shares may, by resolution of the general meeting of shareholders, be set off against a payment of new shares if this does not damage the interests of the company or its creditors and is to be valued as non-monetary contribution in accordance with § 346 of the Commercial Code (*äriseadustik*).

The Councils and Management Board proposal and draft resolutions:

7.1. Should the Council exercise its right under clause 5.8. of the Articles of Association of the Company and decide to increase the Company's share capital by way of issuing new shares of the Company, then in the part that the new shares are used to pay the bonus fees to Members of the Management Board of the company and provided the issue price (nominal value + premium) is at least the average share price of the Company for the 3 months preceding the decision, the pre-emptive purchase right of other shareholders is cancelled.

7.2. Claims by Members of the Management Board for bonuses may be set off against their payment for subscribed new shares thus issued and are to be valued as non-monetary contribution.

According to the Commercial Code § 297 section 5 the set of shareholders entitled to take part in the annual general meeting of shareholders shall be determined as at seven days before holding the general meeting as at the end of the working day of the settlement system of the registrar of the Estonian register of securities or another depository where the shares of a public limited company are entered, which precedes the general meeting, i.e. on 16.05.2019 at end of the working day.

A shareholder has the right to receive information on the activities of the public limited company from the management board at the general meeting. The management board may refuse to give information if there is a basis to presume that this may cause significant damage to the interests of the public limited company. If the management board refuses to give information, the shareholder may demand that the general meeting decide on the legality of the shareholder's request or to file, within two weeks after the general meeting, a petition to a court by way of proceedings on petition in order to obligate the management board to give information.

Shareholders whose shares represent at least 1/20 of the share capital may request adding items to the agenda of the general meeting, if the respective request has been made 15 days prior to the meeting, i.e. on 08.05.2019 at the latest and they may also submit to the Company a draft resolution for each item on the agenda at least three days before the meeting, i.e. on 20.05.2019 at the very latest. The draft resolution should be submitted in writing to AS Pro Kapital Grupp, Sõjakooli 11, Tallinn, 11316.

At the meeting, items previously not on the agenda may be taken onto the agenda if at least 9/10 of participating shareholders approve and their shares represent at least 2/3 of the share capital. A general meeting may decide on calling the next meeting and settle submissions concerning administrative issues related to the agenda or to the procedure for holding the meeting without such matters having to be included on the agenda beforehand, and to discuss other matters without making resolutions.

The shareholder can until 22.05.2019 at 16:00 inform the Company of appointing a representative or of renouncing the power of attorney of the representative, by sending the digitally signed notice to prokapital@prokapital.ee or by sending the written notice to the office of the Company at Sõjakooli 11 Tallinn.

If you have any questions in regards to the annual general meeting of shareholders, please contact us by phone + 372 6 144 920 or by email at prokapital@prokapital.ee. Questions and answers related to the agenda of the shareholders meeting shall be published on the website of the Company www.prokapital.com under the section Company, Investor.

The shareholders of the Company can acquaint themselves with the drafts of the resolutions and proposals, the audited annual report of 2018 financial year, the auditor opinion, on the webpage of the Company www.prokapital.com under the sub-section Company, Investor, Shareholders or at the location of the Company at Sõjakooli 11 Tallinn during the business days from 09:00 until 17:00.

Documents needed to participate at the meeting

Natural person shareholders are kindly asked to bring along a valid identification document, representatives are kindly asked to bring along a valid identification document and a valid written power-of-attorney.

In the case of shareholders who are legal entities we request you to bring an extract from the relevant register, where that legal person has been registered and a valid identification document of the representative. For persons representing a legal entity under power of attorney we kindly ask to bring in addition of the referred documents also a valid written power of attorney.

Each document issued by a foreign country's official must be either legalized or authenticated with a document certificate *apostille* and translated into English.

Best regards, Management Board of AS Pro Kapital Grupp