

**REPORT OF THE COUNCIL of AS PRO KAPITAL GRUPP
ON THE 2022 FINANCIAL YEAR AND THE 2022 ANNUAL REPORT**

In Tallinn, on 11th May 2023

AS Pro Kapital Grupp (code of registration 10278802, located at Sõjakooli 11, Tallinn, Estonia, hereinafter ‘the Company’) Council has prepared this report on the annual report of the Company for the 2022 financial year (hereinafter ‘2022 Annual Report’).

The Management Board prepared and submitted the audited 2022 Annual Report to the Council on 06.04.2023. The Council has examined the 2022 Annual Report, comprising of the annual accounts, the Management Board’s activity report together with the appended certified auditor’s report and the proposal on distribution of the profit.

The Council has unanimously resolved to approve the 2022 Annual Report with appendices by its decision dated 06.04.2023.

The Council has organised and managed the activities of the Company in accordance with applicable law, the Articles of Association of the Company and NASDAQ OMX Tallinn Stock Exchange corporate governance recommendations.

During the 2022 financial year, the Council held 9 meetings out of which 1 were minuted as written resolutions (foregoing the 7-day prior notice). All three Council members participated at all the meetings.

During the meetings held in the 2022 financial year besides the approval of quarterly and annual reports, business review, incl. sales, review of budget and end-of-year forecast, the Council discussed various issues, such as exchange of members of the Management Board, approval of 2023 financial calendar and operational performance of the Company. All of the resolutions with potential material impact on the share price of the Company were disclosed via NASDAQ OMX Tallinn Stock Exchange. A more detailed description of the Council activities, incl. composition, competences, and terms in office, as well as decisions of committees and co-operation of Management Board and the Council has been given in the corporate governance report, which is part of the Company’s 2022 Annual Report.

It is the understanding of the Council that any issues outside of the day-to-day management of the Company have been referred by the Management Board to the Council for approval, as required by the law and the Articles of Association of the Company.

As a result of the activities and good work of the Management Board, the 2022 financial year, the Company has managed to have a good year in residential real estate development despite several global and economic implications, keeping its general costs stable. The Council appreciates the contribution and efforts of the Management Board and all the employees of the Company in enhancing the Company’s performance in 2022.

/digitally signed/
Emanuele Bozzone
Chairman of the Council

/digitally signed/
Oscar Crameri

/digitally signed/
Petri Olkinuora