

# PROKAPITAL

## NOTICE OF CALLING THE EXTRAORDINARY SHAREHOLDERS MEETING OF AS PRO KAPITAL GRUPP SHAREHOLDERS

Dear shareholder of AS Pro Kapital Grupp

We announce that the management board is calling for the extraordinary shareholders meeting of AS Pro Kapital Grupp (registration code 10278802, located at Põhja pst. 21 Tallinn Republic of Estonia) (hereinafter referred to as the Company) which shall take place on the 9<sup>th</sup> of April 2015 at 16.00 at the premises of the Company, Põhja pst 21 Tallinn Republic of Estonia. Registration of the shareholders for the meeting shall start on the 9<sup>th</sup> of April 2015 at 15.45 and shall end at 16.00 at the location of the meeting.

The reason for calling the extraordinary shareholders meeting is to decide on the amending of the articles of association of the Company, prolongation of the term in office of Council members, remuneration of the Council members and amending the terms and conditions of the convertible bonds and taking for information the resignation of one Council member.

**The agenda of the meeting is as follows:**

**1. Election of the Chairman and Secretary of the extraordinary shareholders meeting**

The Councils and Management Board proposal:

Elect Ervin Nurmela (personal identification code 38210130252) as the Chairman of the shareholders meeting and the Secretary of the shareholders meeting shall be elected as per the suggestions made at the meeting.

**2. Amendment of the Articles of Association of the Company**

The Management Board of the Company has made the proposal to amend the articles of association of the Company in order to allow the unification of the term in office of Council members (valid articles of association state that the Council members are elected exactly for 3 years and therefore the terms of Council members expire at different dates) and therefore enable in the future the election or prolongation of term of Council members at the general shareholders meeting (currently the term of some of the Council members ends on 13.04.2015, by which time the Company's audited annual report is not yet ready, therefore in order to prolong the terms of Council members or elect new Council members an extraordinary shareholders meeting has to be called).

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

- Amend the article 5.3 of the articles of association and approve the article in the following wording:

*"5.3. The Company's supervisory board (Council) shall have the minimum of three (3) and the maximum of seven (7) members. The members of the supervisory board shall be elected by the general meeting of shareholders for a term of up to five (5) years. A member of the supervisory board may be removed by a resolution of the general meeting of shareholders regardless of the reason."*

- Approve the new version of the articles of association with the referred amendment.

### 3. Prolongation of the term in office of Council members

**In connection with the expiry of the term in office of Council members Pertti Huuskonen (date of birth 02.08.1956) and Petri Olkinuora (date of birth 02.05.1957) on 13.04.2015, decide on the prolongation of the term in office of Council members Pertti Huuskonen (date of birth 02.08.1956) and Petri Olkinuora (date of birth 02.05.1957).**

Shareholders whose shares represent at least 1/20 of the share capital may present the draft of the resolution for the subsection of the agenda. Right specified in previous sentence may be exercised not later than three days before meeting. The draft of the resolution shall be presented in written to AS Pro Kapital Grupp, Põhja pst. 21, Tallinn, 10414.

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

- Prolong the term in office of Council member Pertti Huuskonen (date of birth 02.08.1956) until 05.07.2016.
- Prolong the term in office of Council member Petri Olkinuora (date of birth 02.05.1957) until 05.07.2016.

### 4. Remuneration of Council members

**In connection with the prolongation of the term in office of Council members approve the remuneration of the Council members and compensation of travel and accommodation expenses. The proposal made to the shareholders meeting is based on the valid shareholders decisions regulating the remuneration of the Council members.**

Shareholders whose shares represent at least 1/20 of the share capital may present the draft of the resolution for the subsection of the agenda. Right specified in previous sentence may be exercised not later than three days before meeting. The draft of the resolution shall be presented in written to AS Pro Kapital Grupp, Põhja pst. 21, Tallinn, 10414.

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

Confirm the remuneration of council members and payment terms on following conditions:

Council member is paid 25 000 euro per year (gross). Chairman of the Council is paid 27 500 euro per year (gross). Remuneration is paid on monthly basis on the last working day of the month at latest. The member of the Council is paid remuneration for partial month on a pro rata basis to number of days of validity of powers.

In addition 600 Euros (gross) is paid to the member of Council including the Chairman of the Council for each meeting of the Council the Member attended.

In addition to remuneration paid, compensate Council Members travel and accommodation expenses which are incurred in connection to participating in Council- or Committee meetings.

### 5. Amending the terms of the convertible bonds

**In order to give the owners of the convertible bonds longer period to exercise the right to exchange**

**the convertible bonds to the company's shares and to enable the extension of the maturity of the convertible bonds, if so accepted by the bondholders, the Council proposes to amend the terms and conditions of the convertible bonds.**

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

Amend the article 4.3 of the terms and conditions of the convertible bonds, which was approved by the 13.04.2009 and amended by the 06.02.2013 shareholders meeting by adopting the wording as follows:

4.3. A Bond shall expire on a maturity date (hereinafter the "**Maturity Date**"), which shall be:

4.3.1. one of the following dates:

4.3.1.1. the day which shall occur 4 (four) years as of the registering such Bond in the Register, shall be the Maturity Date for all bonds whose bondholder (the person owning the bond at 10.00 on the Maturity Date) has not given the Company its acceptance to prolong the Maturity Date.

4.3.1.2. The Company may make a proposal, for the bondholder who has not exchanged its bond to the company share, to extend the Maturity Date of the bond by up to 4 (four) years as of the Maturity Date registered in the Register (at the moment of making the proposal). The Maturity Date of the bond, whose bondholder has submitted to the Company its written acceptance to prolong the maturity of the bond, shall be the new Maturity Date stated by the Company in the notice sent to the bondholder (the new Maturity Date shall be entered into the Register).

4.3.2. the Exchange Date referred to in Clause 7, hereof, if the Bond is exchanged to a share of the Company.

#### **6. Take for information the resignation of the Company's Council member Ernesto Achille Preatoni**

Ernesto Achille Preatoni, member of Pro Kapital Grupp Council, has on 20.02.2015 informed the Company about his resignation from the Council as of 20.02.2015. Ernesto Achille Preatoni explained his resignation as follows: „Pro Kapital is very well managed and capitalized company, with excellent development portfolio. Revaluation of the assets to the market value done in the quarter which ended 31.12.2014 and the profit recorded prove that the portfolio acquired over the years has provided very good return to Pro Kapital's long term investors. As I feel Pro Kapital is in good hands I have decided to resign from the Council of Pro Kapital to concentrate my time in developing my other projects outside of the Baltic's and spend more time with my family.”

The Councils and Management Boards proposal:

The proposal of the Council and the Management Board is at the moment not to elect a new council member to replace the resigned council member. The proposal of the Council and the Management Board is to take the resignation of the council member Ernesto Achille Preatoni for information by the shareholders meeting.

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.

A general meeting may decide on calling the next meeting and settle submissions concerning operational issues related to the agenda or to the procedure for holding the meeting without including such matters in the agenda beforehand, and to discuss other matters at the general meeting without deciding on such matters

Shareholders whose shares represent at least 1/20 of the share capital may present the draft of the resolution for each subsection of the agenda. Right specified in previous sentence may be exercised not later than three days before meeting. The draft of the resolution shall be presented in written to AS Pro Kapital Grupp, Põhja

pst. 21, Tallinn, 10414.

According to the Commercial Code § 297 section 5 the set of shareholders entitled to take part in the extraordinary shareholders meeting shall be determined as at seven days before the date of holding the general meeting, i.e. on 02.04.2015 at 23:59.

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 preferably translated into Estonian. The shareholder can until 8<sup>th</sup> of April 2015 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](mailto:prokapital@prokapital.ee) or by bringing the written notice in person to the office of the Company at Põhja pst 21 Tallinn, during business hours 9:00-17:00.

If you have any questions in regards to the extraordinary shareholders meeting, please contact us by phone + 372 6 144 920 or by email at [prokapital@prokapital.ee](mailto:prokapital@prokapital.ee).

The shareholders of the Company can acquaint themselves with the drafts of the resolutions, draft of the article of association and terms and conditions of convertible bonds and other documents concerned at the webpage of the Company [www.prokapital.com](http://www.prokapital.com) under the section Investors or at the location of the Company at Põhja pst. 21 Tallinn during the business days from 9:00-17:00.

Best regards  
Management Board of  
AS Pro Kapital Grupp