**Request for Investors’ Resolution**

**for Postponement of the Redemption Date and Increase of Interest Rate of AS Pro Kapital Grupp** **Bonds**

20 August 2023

Dear Investor

AS Pro Kapital Grupp (hereinafter the **Issuer**) has issued 3,459,081 unsecured bonds with ISIN EE3300001676 (hereinafter the **Bonds**) in the total nominal value of 9,685,426.80 euros. The Bonds bear 8% interest and their Redemption Date[[1]](#footnote-1) is 31 October 2024. The bonds are traded on the Nasdaq Tallinn stock exchange.

In connection with the plan to continue development activities, the Issuer hereby proposes to the Investors to extend the Bonds’ redemption term by 2+2 years. According to initial plans, the Issuer is ready to redeem the Bonds by 31 October 2026, once the ongoing development projects are completed. However, the Issuer would like to have the right to further postpone the Redemption Date by two years in case there are unexpected turns in the real estate market.

Considering the above, the Issuer has decided to request for the Investors’ Resolution to amend the Issue Terms in accordance with Section 10.1 of the Issue Terms. **The Issuer requests your consent for making the following amendments to the Issue Terms and any related documents**:

1. To postpone the Redemption Date by two years and to give the Issuer the flexibility to postpone the Redemption Date by further two years, therefore Section 1.1.18 of the Issue Terms shall be amended as follows:

“*1.1.18.* ***Redemption Date*** *means 31 October 2026, by which date the Issuer shall redeem all Bonds issued under the Issue Terms. The Issuer may unilaterally postpone the Redemption Date by two years at most (i.e. to 31 October 2028) by making a respective announcement via Nasdaq Tallinn Exchange by 30 September 2026 at the latest*.”

1. To increase the interest rate of the Bonds by 1% (i.e. to 9%) as of 1 November 2024 and thereby amend Section 6.1 of the Issue Terms as follows:

*“6.1. The Bonds shall bear a fixed interest at the rate of* ***8%*** *(eight per cent) per annum until 31 October 2024 (included) and* ***9%*** *(nine per cent) per annum as of 1 November 2024 applied to the outstanding (i.e. unredeemed) denomination value of the Bonds from, but excluding, the Value Date of the particular Tranche up to and including the Redemption Date or the date of Early Redemption.”*

We note that in case the above amendments are approved, additional technical amendments to the Issue Terms or the related documents may be necessary (e.g. the name of the Bonds in the Register may be changed to reflect the new Redemption Date). By consenting to the above amendments, the Investors grant the Issuer the right to incorporate the above amendments as well as any related technical amendments to the Issue Terms and any other relevant document. By consenting to the above amendments, the Investors also authorise the Issuer to submit any application to the Register and make any changes in the registered information regarding the Bonds in the Register to give effect to the above amendments to the Issue Terms.

If approved, the amendments enter into force in accordance with Section 10.6 of the Issue Terms, i.e. the Investors’ Resolution is deemed to have been adopted and the respective amendment to the Issue Terms approved by the Investors on the last day of the voting deadline if at least 50% of all votes represented by the Bonds are in favour of such amendment. The amended Issue Terms will thereafter be announced and made public via the Nasdaq Tallinn stock exchange, and also forwarded to the Register.

In case the above amendments to the Issue Terms is approved by the Investors’ Resolution, the Issuer will invoke its right to partial Early Redemption of the Bonds in accordance with Section 7.2 of the Issue Terms, provided that the Issuer has redeemed the senior secured callable fixed rate bonds 2020/2024 (ISIN code SE0013801172) before the date of the Early Redemption or obtained a waiver from the holders of the said bonds (as required under Section 7.2 of the Issue Terms). Subject to the foregoing, on 31 October 2024, the Issuer would redeem 15% of the denomination value of all the Bonds pro rata (the number of the Bonds will not change). In such case the Issuer would pay each Investor 0.42 euros per each Bond on 31 October 2024 and the new denomination value would be 2.38 euros per Bond as of 1 November 2024.

**Please include your name and other details below, indicate your consent or refusal to the proposed amendments to the Issue Terms, sign this request** (by digital signature, if possible) and send it back to the Issuer (including the whole notice) at [**prokapital@prokapital.ee**](mailto:prokapital@prokapital.ee) by **20 September 2023 at the latest**. In case you are not able to sign this request digitally, please sign it by hand on paper and either send (i) a scanned copy at [prokapital@prokapital.ee](mailto:prokapital@prokapital.ee) or (ii) the original to AS Pro Kapital Grupp, address: Sõjakooli tn 11, Kristiine linnaosa, Tallinn, Harju maakond, 11316, Estonia, so that it is **received by the Issuer by 20 September 2023 at the latest**.

Please note that the list of Investors entitled to vote includes the Investor(s) who owned the Bonds at 9.00 am (current local time in Estonia) on 20 August 2023 (date of publication of the stock exchange notice). The list of Investors shall be determined based on the Register.

Edoardo Axel Preatoni

Member of the Management Board

Tel +372 6144 920

Email: [prokapital@prokapital.ee](mailto:prokapital@prokapital.ee)

**TO BE FILLED IN BY THE INVESTOR:**

Please indicate below if you consent to the following amendments to Sections 1.1.18 and 6.1 of the Issue Terms of AS Pro Kapital Grupp (you can only consent to both amendments or neither of the amendments):

“*1.1.18.* ***Redemption Date*** *means 31 October 2026, by which date the Issuer shall redeem all Bonds issued under the Issue Terms. The Issuer may unilaterally postpone the Redemption Date by two years at most (i.e to 31 October 2028) by making a respective announcement via Nasdaq Tallinn Exchange by 30 September 2026 at the latest*.”

*“6.1. The Bonds shall bear a fixed interest at the rate of* ***8%*** *(eight per cent) per annum until 31 October 2024 (included) and* ***9%*** *(nine per cent) per annum as of 1 November 2024 applied to the outstanding (i.e. unredeemed) denomination value of the Bonds from, but excluding, the Value Date of the particular Tranche up to and including the Redemption Date or the date of Early Redemption.”*

**I consent to the amendments to the Issue Terms as proposed above**

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[Grab your reader’s attention with a great quote from the document or use this space to emphasize a key point. To place this text box anywhere on the page, just drag it.]

**I do not consent to the amendments to the Issue Terms as proposed above**

Name of the Investor who hereby replies to the request above: **[…]**

Representative of the Investor (name of signatory): **[…]**

Please send a power of attorney and other proof of your authority to represent the Investor in case your authority does not arise from law.

*/[digital] signature/*

1. Unless otherwise stated, all terms beginning with capital letters herein have the same meaning as in the Terms and Conditions for AS Pro Kapital Grupp Fixed Rate Non-Convertible Bond Issue approved by management board of AS Pro Kapital Grupp on 28 May 2020 and available here:

   <https://nasdaqbaltic.com/statistics/et/instrument/EE3300001676/company?date=2023-07-03> [↑](#footnote-ref-1)