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DECISIONS OF THE SUPERVISORY BOARD MEETING OF AS MERKO EHITUS, 4 APRIL 2023

All members of the Supervisory Board agree with and have signed the resolutions below, so the resolutions have been adopted in accordance with the requirements of the Commercial Code.

I APPROVAL OF THE COUNCIL'S PROPOSALS FOR THE AGENDA AND DRAFT RESOLUTIONS OF THE ANNUAL GENERAL MEETING TO BE HELD ON 4 MAY 2023

To approve the agenda of the Annual General Meeting of AS Merko Ehitus to be held on 4 May 2023 and the proposals of the Supervisory Board on the draft resolutions of the Annual General Meeting as follows:

1. Approval of the annual report for 2022

The proposal of the Supervisory Board is to approve the annual report of AS Merko Ehitus for 2022.

2. Profit distribution

The Supervisory Board's proposes:

- (i) to approve a net profit of EUR 34,639,747 for the financial year 2022;
- (ii) to pay out a total of 17,700,000 euros as dividends from the net profit of previous periods, which is 1.00 euros per share;
 - as of the end of the business day of the settlement system on 5 June 2023, the shareholders entered in the share register of AS Merko Ehitus have the right to dividends;
 - as a result, the date of the change in the rights attached to the shares (*ex-date*) is 2 June 2023; from that date, the person acquiring the shares is not entitled to receive dividends for the financial year 2022;
 - dividends will be paid to shareholders on 16 June 2023 by transferring the corresponding amount to a current account linked to the shareholder's securities account;
- (iii) not to distribute the remaining net profit.

3. Appointment of auditor for the financial years 2023-2025

The Supervisory Board proposes to appoint the audit firm AS PricewaterhouseCoopers as the auditor of AS Merko Ehitus for the financial years of 2023 to 2025 and to pay to the audit firm for auditing as per contract to be entered into with AS PricewaterhouseCoopers.

4. Election of the members of the Supervisory Board

The Supervisory Board proposes:

- (i) to approve the number of members of the Supervisory Board as 3 (three) until 06.05.2025;
- (ii) to elect Toomas Annus and Indrek Neivelt as the members of the Supervisory Board, for a term of office from 05 May 2023 to 06 May 2026 (inclusive), i.e. for three years.

II. APPROVAL OF THE SUPERVISORY BOARD REPORT

To approve the report on the activities of the Supervisory Board of AS Merko Ehitus for the financial year 2022 (attached).

Signatures:

/digitally signed by all Supervisory Board members/

Toomas Annus

Kristina Siimar

Teet Roopalu

Indrek Neivelt



REPORT ON THE ACTIVITIES OF THE SUPERVISORY BOARD OF AS MERKO EHITUS FOR THE FINANCIAL YEAR 2022

The Supervisory Board of AS Merko Ehitus (hereinafter the Supervisory Board) has prepared and approved this report, which serves to provide an overview of the activities of the Supervisory Board in managing and organizing the work of AS Merko Ehitus and its subsidiaries, to the Annual General Meeting of AS Merko Ehitus (hereinafter the General Meeting).

The current composition of the Supervisory Board Toomas Annus, Teet Roopalu and Indrek Neivelt were elected on 6 May 2020 and Kristina Siimar on 04.05.2022 at the Annual General Meeting of Shareholders. Pursuant to the provisions of clause 30 of the Articles of Association of AS Merko Ehitus, the members of the Supervisory Board are elected for three years.

The Supervisory Board has reviewed the annual report for 2022 submitted to the General Meeting by the Management Board of AS Merko Ehitus (hereinafter the Management Board), which consists of the financial statements, the Management Board's report, the sworn auditor's report, the CGR report, the remuneration report and the profit distribution proposal.

The Supervisory Board has decided to approve the annual report for 2022 prepared by the Management Board.

The work of the Supervisory Board during 2022 was organized by the Chairman of the Supervisory Board Toomas Annus.

The Supervisory Board of AS Merko Ehitus has four members, of whom, Kristina Siimar and Indrek Neivelt, are independent, exceeding the requirements of Good Corporate Governance.

Meetings of the Supervisory Board are generally held once a month, except in the summer months. In 2022, 16 regular meetings of the Supervisory Board were held. There were no extraordinary meetings of the Supervisory Board. Participation of members of the Supervisory Board in meetings:

NAME	ATTENDING MEETINGS	% OF PARTICIPATION
Toomas Annus	16	100%
Kristina Siimar	9	56% (100%)*
Teet Roopalu	15	94%
Indrek Neivelt	15	94%

* Kristina Siimar participated in 100% of the meetings after the appointment, which is 56% of all council meetings.

The supervisory board has operated and managed the activities of AS Merko Ehitus within the limits of the applicable legislation and the authorizations granted by the articles of association of AS Merko Ehitus.

At the meetings of the Supervisory Board held during 2022, the Supervisory Board has discussed issues concerning the management and organization of the activities of AS Merko Ehitus, the approval of transactions with related parties, legal proceedings as well as other projects of transactions outside the scope of day-to-day operations. When deciding on the approval of transactions with related parties, members of the council considered to be related parties withdrew themselves from the discussion and decision.



According to the Articles of Association of AS Merko Ehitus, the consent of the Supervisory Board is required for entering into transactions involving:

- making investments in new areas of activity and making investments in excess of the amounts provided for in the budget for the financial year and for any investment costing more than EUR 3,000,000; or
- the commencement and cessation of activities in other countries, including the establishment or acquisition of companies, branches or permanent establishments in other countries, and their termination, closure or transfer, or
- establishment, transfer or dissolution of a subsidiary with a share capital of more than EUR 500,000; or
- the acquisition or disposal of minority interests in companies not directly related to the principal activity; or
- the transfer of immovable property, where the value of the transaction exceeds EUR 3,000,000; or
- granting loans to third parties or securing the obligations of third parties, including the provision of guarantees, with the exception of:
 - granting a loan in the amount of up to 3,000,000 euros and the person to whom the loan is granted or whose obligations are secured is a subsidiary or affiliate of the Company;
 - granting loans to third parties for the financing of construction works in the amount of up to EUR 3,000,000 , if the loan is secured by a mortgage on the real estate to be built as a result of the respective construction works ;
 - granting a loan of up to EUR 100,000.

According to the understanding of the Supervisory Board, the Management Board has submitted all issues arising from the daily economic activities of AS Merko Ehitus to the Supervisory Board for approval in accordance with the law and the Articles of Association. In addition, the Management Board has submitted a report to the Supervisory Board at each respective meeting with the aim of providing an overview of the economic activities, financial situation, corporate governance and activities of the Management Board of AS Merko Ehitus.

The Supervisory Board thanks the management and employees of the companies belonging to the group for their contribution to the development of the AS Merko Ehitus group in the past financial year.

The Supervisory Board thanks the shareholders of AS Merko Ehitus for their trust and expresses the hope that its activities have ensured the comprehensive protection of the interests of the shareholders.

Signatures:

April 4, 2023

/ digitally signed / Toomas Annus

/ digitally signed / Kristina Siimar

/ digitally signed / Teet Roopalu

/ digitally signed / Indrek Neivelt

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