

DRAFT RESOLUTIONS OF THE REGULAR GENERAL MEETING OF SHAREHOLDERS
OF AS MERKO EHITUS, WHICH IS TO TAKE PLACE ON 27.04.2016

1. Approval of the annual report of the year 2015 and overview of the economic results and the prospectives

To approve the annual report of the year 2015 and to note the Management Board's overview of the economic results and prospectives.

2. Distribution of profits and reserve capital

Supervisory Board proposes to:

- (i) approve the net profit for the year 2015 as EUR 9,999,830;
- (ii) pay the shareholders the total amount of EUR 9,027,000 as dividends from net profit brought forward, which totals to EUR 0.51 per share;
 - shareholders, entered into the share register of AS Merko Ehitus on May 18th 2016, at 23.59, will be entitled to dividends;
 - dividends will be paid to the shareholders on May 20th 2016 by transferring the amount concerned to shareholder's bank account, linked to security account;
- (iii) the outstanding net profit will not be distributed
- (iv) transfer to retained earnings the amount of 407,100 euros that exceeds the statutory reserve due to the share capital reduction effective 14 August 2015.

3. Amendment of articles of association

To enable electronic voting and web transmission of the general meeting, as well as for better organisation of management of AS Merko Ehitus, the supervisory board proposes the following amendments to the articles of association of AS Merko Ehitus:

To change the wording of article 21 of the AS Merko Ehitus articles of association as follows: "The general meeting may adopt resolutions if over one-half of the votes represented by shares are present. Shareholders may take part in the general meeting and exercise their rights via electronic means without being physically present at the general meeting and without appointing a representative, using electronic voting. The procedure for electronic voting shall be determined by the management board."

To change the wording of article 25 of the AS Merko Ehitus articles of association as follows: "The supervisory board shall plan the activity of the Company and the Company's group, organise management and perform oversight over the activity of the management board. The supervisory board shall notify the general meeting of the results of a review. The supervisory board is among other things competent to:

- 25.1. approve the strategy of the Company;
- 25.2. approve the Company's 3-year development plan;

- 25.3. approve the Company's annual budget;
- 25.4. approve the Company's management structure;
- 25.5. review the results of the Company's performance;
- 25.6. review and evaluate the annual report of the Company;
- 25.7. decide on the conclusion of transactions and conduct of legal disputes between the Company and its management board members, as well as appoint the Company's representative in such transactions and disputes.“

To change the wording of article 26 of the AS Merko Ehitus articles of association as follows: „The supervisory board shall give orders to the management board for the organisation of the management of the Company. The consent of the supervisory board is required by the management board for concluding transactions, which are beyond regular economic activities, in the name of the Company. The consent of the supervisory board is required for the management board to conduct transactions and approve transactions by Company's subsidiaries if the transaction involves:

- 26.1. making investments into new spheres of business and making investments, which exceed the amounts, allocated for investment purposes in the budget for the financial year and for every investment, having the value above 3,000,000 Euros; or
- 26.2. for commencing and winding up business in other countries, including the establishment or acquisition of trading companies, subsidiaries or permanent places of business and winding them up, closing or transferring of; or
- 26.3. establishment, transfer or winding up of a subsidiary with a share capital or equity above 500,000 Euros; or
- 26.4. acquisition or transfer of minority participation in companies, not involved immediately in the main business; or
- 26.5. transfer of a registered immovable, of the value of the transaction is above 3,000,000 Euros; or
- 26.6. granting loans to third parties or guaranteeing the obligations of third parties, including providing guarantees, except for:
 - 26.6.1. granting a loan of up to 3,000,000 euros and the entity being granted a loan or whose commitments are secured is a subsidiary or affiliate of the Company;
 - 26.6.2. granting a loan of up to 3,000,000 euros to third parties for financing construction work, if the loan is secured by mortgage established on the registered immovable property on which buildings shall be built as a result of the relevant construction work;
 - 26.6.3. granting a loan of up to 100,000 euros.”