
**SUPERVISORY BOARD REPORT OF AS PRFOODS
REGARDING THE ANNUAL REPORT OF 2017/2018 (18 MONTHS)**

06.11.2018

The supervisory board of AS PRFoods, registry code 11560713 (the Company) has reviewed the annual report compiled by the management board of the Company and hereby issues its written report thereof. The annual report is compiled for the 2017/2018 financial year (18 months) of the Company. This written report is addressed to the shareholders of the Company.

The management board and the supervisory board of the Company have been cooperating closely in order to protect the interests of the Company and develop its business in the best way possible. The supervisory board has mainly focused on the strategic development of the Company and review of the management board's work results. In addition to the information provided to the supervisory board at its regular meetings, the management board of the Company has provided the supervisory board with regular and detailed surveys on the financial results of the Company. The supervisory board finds that the activity of the management board has been in compliance with the strategy of the Company and expectations for the financial year of 2017/2018 have been met as expected.

The supervisory board of the Company approves the 2017/2018 annual report (18 months) and changes the profit distribution proposal prepared by the management board as follows:

(a) to confirm the net profit of the financial year of 2017/2018 (18 months) in amount of 57,000 euros and retained earnings of AS PRFoods of 1,904,000 euros as at 30 June 2018;

(b) to transfer 1/20 of the net profit in amount of 2,850 euros to statutory reserve capital;

(c) to pay dividends in amount of 386,829 euros on account of the retained earnings, i.e. 0.01 euros per one share;

- the shareholders entered to the share register of AS PRFoods as at the end of workday of accounting system on 28 December 2018 have the right to dividends;

- based on the above the date of changing of rights attached to shares (ex-date) is 27 December 2018 – from that date the person having acquired the shares is no more entitled to receive dividends for the financial year of 2017/2018;

- dividends are paid to the shareholders on 5 April 2019, by transferring the relevant amount to the bank account attached to the securities account of the shareholder;

(d) to not distribute the remaining net profit.

Members of the supervisory board of the Company:

Lauri Kustaa Äimä

Kuldar Leis

Harvey Sawikin

Jaakko Karo

Aavo Kokk

Arko Kadajane