

# **Hepsor AS**

## **Articles of Association**

### **1. BUSINESS NAME AND REGISTERED OFFICE**

#### **1.1 Business name**

The business name of the public limited company [*aktsiaselts*] (hereinafter the ‘**Company**’) is Hepsor AS.

#### **1.2 Registered office**

The registered office of the Company is Tallinn, Republic of Estonia.

### **2. SHARE CAPITAL AND SHARES**

#### **2.1 Amount of share capital**

2.1.1 The minimum share capital of the Company is 3,000,000 euros and the maximum share capital is 12,000,000 euros. The share capital of the Company may be increased and reduced within the limits of the minimum and maximum share capital without amending these Articles of Association.

#### **2.2 Shares**

2.2.1 The share capital has been divided into shares. The nominal value of each share is 1 euro.

2.2.2 The Company has shares of one class.

2.2.3 A share grants the shareholder the right to participate in the general meeting of shareholders and in the distribution of profit and of remaining assets upon dissolution of the Company, and other rights prescribed in law and the Articles of Association.

2.2.4 Each share grants a shareholder one vote.

2.2.5 The shares are registered with the Estonian Central Register of Securities.

#### **2.3 Convertible bonds**

By the resolution of the general meeting of shareholders, the Company may issue convertible bonds for a conditional increase in the share capital.

#### **2.4 Payment for shares**

2.4.1 Shares are paid for in money and/or by non-monetary contributions. The procedure for payment for shares is specified by a resolution of the general meeting of shareholders of the Company.

2.4.2 Non-monetary contributions are valued by the Management Board of the Company. If generally recognised experts are available for valuation of the item of a non-monetary contribution, valuation by such experts of the non-monetary contribution must be arranged. An auditor audits the valuation of a non-monetary

contribution and also presents a written opinion on the compliance of the value of the non-monetary contribution with the requirements provided in law.

- 2.4.3 A shareholder who fails to pay for the shareholder's share on time pays the Company a penalty for late payment at the rate of 0.02% of the overdue amount per day of delay. The payment of the penalty for late payment does not preclude or restrict the submission of a claim by the Company for compensation for damage exceeding the penalty for late payment.

## **2.5 Transfer of shares**

- 2.5.1 The shares are freely transferable.

## **3. GENERAL MEETING OF SHAREHOLDERS**

### **3.1 Authority of the general meeting of shareholders**

The general meeting of shareholders is the highest managing body of the Company. The general meeting of shareholders is authorised to:

- 3.1.1 amend the Articles of Association;
- 3.1.2 increase and reduce the share capital;
- 3.1.3 decide on issue of convertible bonds;
- 3.1.4 elect and remove members of the Supervisory Board and decide on their remuneration;
- 3.1.5 approve the annual report and distribute profit;
- 3.1.6 elect and remunerate the auditor(s);
- 3.1.7 designate and remunerate a special audit;
- 3.1.8 decide on the conclusion and terms and conditions of transactions with members of the Supervisory Board, decide on the conduct of legal disputes with members of the Supervisory Board, and appoint a representative of the Company in such transactions or disputes;
- 3.1.9 decide on the dissolution, merger, division, and transformation of the Company;
- 3.1.10 grant consent to a shareholder for the pledging of the Company's shares;
- 3.1.11 approve the principles of remuneration (hereinafter the '**remuneration principles**') for the members of the Management Board, as established by the Supervisory Board, including remuneration, benefits related to employment, severance and pension benefits, and other incentives, as well as significant amendments thereto;
- 3.1.12 approve significant transactions with related parties (within the meaning of the Nasdaq Tallinn Stock Exchange rules), in cases stipulated in said rules;
- 3.1.13 approve transactions that, under the Nasdaq Tallinn Stock Exchange rules, must be submitted to the general meeting of shareholders for approval;
- 3.1.14 decide on other matters placed within the authority of the general meeting of

shareholders by law.

The general meeting of shareholders may only adopt resolutions on matters not specified in clauses 3.1.1–3.1.14 at the request of the Management Board or the Supervisory Board. The shareholders will be jointly and severally liable in the same manner as the members of the Management Board or the Supervisory Board for any damage caused by resolutions adopted at the request of the Management Board or the Supervisory Board.

### **3.2 Calling of the general meeting of shareholders and the place of meeting**

3.2.1 The Management Board calls the general meeting of shareholders unless otherwise provided in law. The Management Board notifies all the shareholders of an annual general meeting of shareholders so that the relevant notice reaches the addressee no later than three weeks before the general meeting of shareholders. The Management Board sends the notice of a special general meeting to all the shareholders so that the relevant notice reaches the addressee no later than three weeks before the general meeting of shareholders.

3.2.2 The Management Board specifies the agenda of the general meeting of shareholders and prepares a draft resolution for each resolution included in the agenda, which is voted on at the general meeting. If the general meeting of shareholders is called by the shareholders, the Supervisory Board or the auditor, the agenda of the meeting is determined by the person calling the meeting who also prepares the draft resolutions included in the agenda and sends these to the Management Board. The shareholders whose shares represent at least 1/20 of the share capital may submit to the Company a draft resolution for each item on the agenda that is voted on at the general meeting. Draft resolutions are made available to the shareholders pursuant to the procedure provided in law.

3.2.3 The general meeting of shareholders is held at the time and place specified by the Management Board in Tallinn.

### **3.3 Requirements for quorum**

3.3.1 The list of shareholders entitled to participate in the general meeting of shareholders will be determined as at seven calendar days prior to the date of the general meeting.

3.3.2 The general meeting of shareholders is authorised to adopt resolutions if over one-half of the votes represented by shares are represented at the meeting.

3.3.3 If the votes specified in clause 3.3.2 are not represented at the general meeting of shareholders, the Management Board will call a new general meeting of shareholders with the same agenda pursuant to the procedure provided in law. The new general meeting of shareholders is authorised to adopt resolutions regardless of the votes represented at the meeting.

### **3.4 Adoption of resolutions at the general meeting of shareholders**

3.4.1 A resolution of the general meeting of shareholders is adopted if over one-half of the votes represented at the general meeting of shareholders are in favour of the

resolution unless the law or the Articles of Association prescribe(s) a greater majority requirement.

### **3.5 Electronic voting at the general meeting of shareholders**

Shareholders may participate in the adoption of resolutions on the agenda of the general meeting of shareholders by voting by electronic means (electronic voting), subject to the following principles.

- 3.5.1 The procedure for electronic voting will be determined by the Management Board, taking into account the requirements established by law. The Management Board will inform shareholders of the procedure.
- 3.5.2 Electronic voting is permitted in respect of resolutions on the agenda of the general meeting of shareholders for which a draft resolution has been prepared prior to the meeting (as set out in clause 3.2.2).
- 3.5.3 A shareholder who has voted electronically will be deemed to have participated in the general meeting of shareholders and the votes represented by the shareholder's shares will be counted toward the quorum of the meeting, unless otherwise provided by law. If, at the general meeting of shareholders, votes are taken only on draft resolutions that were not disclosed prior to the meeting and on which the shareholder has not voted electronically, the shareholder will not be deemed to have participated in the meeting and the votes represented by their shares will not be counted toward the quorum.

### **3.6 Adoption of resolutions without calling the general meeting of shareholders**

The shareholders may adopt resolutions without calling a general meeting of shareholders pursuant to the procedure provided in law on the condition that the resolution is prepared in writing and signed by all the shareholders. Such resolutions are deemed equal to the resolutions of the general meeting of shareholders.

## **4. SUPERVISORY BOARD**

### **4.1 Authority of the Supervisory Board**

- 4.1.1 The Supervisory Board is the managing body of the Company that plans the activities of the Company, organises the management of the Company and supervises the activities of the Management Board.
- 4.1.2 The Supervisory Board adopts resolutions on issues relevant in terms of the activities of the Company, which have not been placed within the authority of the general meeting of shareholders and which are beyond the scope of everyday economic activities of the Company. The Supervisory Board is, among other things, authorised to:
  - (a) approve the objectives and budget of the consolidation group, and make amendments thereto;
  - (b) establish a subsidiary of the Company or decide on the merger, division,

transformation or dissolution thereof;

- (c) acquire or dispose of a business or a structurally independent part thereof or terminate its operations;
- (d) acquire or dispose of a holding in another legal entity or waive the right to acquire such a holding, including partially or fully waiving the right to acquire such a holding through pre-emption or subscription rights or encumbering the Company's holding in another legal entity with a pledge or other security;
- (e) significantly change the nature or scope of the Company's economic activity, including discontinuing operations in a specific field, expanding the Company's business areas or taking over new business areas;
- (f) make investments exceeding a prescribed sum of expenditure for the current financial year;
- (g) enter into a transaction or series of related transactions exceeding the value of 500,000 euros;
- (h) make a transaction which involves the acquisition of an immovable by the Company or the transfer or encumbering of an immovable owned by the Company, including entering into a lease contract or another contract for use in respect of an immovable owned by the Company;
- (i) provide security over the assets of the Company;
- (j) take out a loan, credit or other debt obligation or amend or terminate an agreement concluded for such purposes;
- (k) grant a loan or other credit (except when agreed under the ordinary terms of payment with a contractual partner) outside the ordinary course of the Company's business;
- (l) provide a guarantee;
- (m) enter into any transaction (including with a related party) that is not on market terms;

establish or close a branch in a foreign country;

- (o) change the accounting and financial reporting principles, practices or procedures applied by the company, except where and to the extent required by law;
- (p) appoint a procurator and grant general authorisation to act on behalf of the Company;
- (q) initiate legal proceedings, arbitration or similar proceedings where the value of the claim exceeds or may exceed 100,000 euros;
- (r) elect and remove the members of the Management Board;
- (s) approve the principles of remuneration for the members of the Management

Board, monitor their implementation, and establish a procedure for reviewing compliance with these principles;

- (t) decide on transactions with a member of the Management Board, determine the terms of such transactions, decide on related legal disputes, and appoint a representative of the Company in such transactions or disputes, as well as decide on and determine the terms of significant transactions with close relatives or related parties of a member of the Management Board;
- (u) decide on entering into a transaction with a shareholder of the Company, as well as determine the terms and conditions of such transaction, decide on the conduct of a legal dispute with a shareholder of the Company, and appoint the representative of the Company in such transaction or legal dispute.

## **4.2 Members of the Supervisory Board**

- 4.2.1 The Supervisory Board has 3–5 members. The term of authorisation of a member of the Supervisory Board is three years. The members of the Supervisory Board elect a chair from among themselves, who organises the activities of the Supervisory Board.
- 4.2.2 The members of the Supervisory Board are elected and removed by a resolution of the general meeting of shareholders.

## **4.3 Resolutions of the Supervisory Board**

- 4.3.1 The Supervisory Board adopts resolutions at a meeting of the Supervisory Board or without calling a meeting pursuant to the procedure provided for in clause 4.3.2. A meeting of the Supervisory Board has a quorum if more than one-half of the members of the Supervisory Board attend the meeting.
- 4.3.2 Upon adoption of resolutions without calling a meeting of the Supervisory Board, the chair of the Supervisory Board sends the corresponding draft resolution to all the members of the Supervisory Board, specifying a term during which the member of the Supervisory Board must present their written position on it. If a member of the Supervisory Board does not give notice of whether they are in favour of or opposed to the resolution during this term, it is deemed that the member votes against the resolution.
- 4.3.3 A resolution of the Supervisory Board will be adopted if more than one-half of the members of the Supervisory Board attending the meeting vote in favour. Upon adopting a resolution without calling a meeting of the Supervisory Board in the manner provided for in clause 4.3.2, the resolution will be adopted if more than one-half of all the members of the Supervisory Board vote in favour thereof. Upon an equal division of votes the chair of the Supervisory Board has a casting vote. A resolution of the Supervisory Board is also deemed adopted if the resolution is prepared in writing and signed by all the members of the Supervisory Board.

## **5. MANAGEMENT BOARD**

### **5.1 Authority of the Management Board**

The Management Board is a managing body of the Company that represents and manages the Company. The Management Board must, in managing the Company, adhere to the lawful orders of the Supervisory Board. The Management Board may perform the acts specified in clause 4.1.2 with the prior consent of the Supervisory Board.

### **5.2 Members of the Management Board**

The Management Board has 1–3 members. The members of the Management Board are elected and removed by a resolution of the Supervisory Board. The term of authority of the members of the Management Board is five years.

## **6. REPRESENTATION**

Every member of the Management Board may represent the Company in all transactions or other legal acts.

## **7. AUDITOR**

The number of auditors is specified and the auditor(s) is/are appointed by the general meeting of shareholders. The auditor(s) is/are appointed to conduct a single audit or for a specified term.

## **8. FINANCIAL YEAR**

The financial year of the Company is one calendar year.

## **9. MAKING PAYMENTS**

9.1.1 The Management Board may make advance payments to the shareholders with the consent of the Supervisory Board after the end of a financial year and before approval of the annual report on the account of the presumed profit in the amount of up to one-half of the amount subject to distribution as dividends among the shareholders.

9.1.2 Upon liquidation of the Company, the remaining assets may also be distributed among the shareholders in a manner other than in monetary payments.

## **10. LEGAL RESERVE**

The amount of the legal reserve of the Company is 1/10 of the share capital unless otherwise provided by law. The shareholders adopt a resolution on the amount to be transferred to the legal reserve each financial year in accordance with law and the Articles of Association.