

## **ARTICLES OF ASSOCIATION OF AS PRO KAPITAL GRUPP**

The articles of association of AS Pro Kapital Grupp (hereinafter the "Company") have been approved at the annual general meeting of the Company's shareholders held on 17.06.2016 in Tallinn.

### **1. BUSINESS NAME AND SEAT**

- 1.1. The business name of the Company is AS Pro Kapital Grupp.
- 1.2. The Company has its seat in Tallinn, the Republic of Estonia.

### **2. SHARE CAPITAL AND LEGAL RESERVE**

- 2.1. The minimum share capital of the Company is 6,000,000 (six million) euros and the maximum share capital is 24,000,000 (twenty-four million) euros.
- 2.2. Within the limits of the minimum and maximum share capital, the Company's share capital can be increased or reduced without amending these articles of association.
- 2.3. The Company's share capital may be increased by issuing new shares or by increasing the nominal value of the existing shares by making supplementary contributions or by a bonus issue. The Company shall be entitled to issue shares at a price exceeding the nominal value (premium par).
- 2.4. Shares may be paid for by both monetary and non-monetary contributions. The valuation of a non-monetary contribution shall be carried out by the supervisory board and shall be audited by an auditor. In the cases provided by law, the valuation of a non-monetary contribution shall be carried out by an expert.
- 2.5. The Company's share capital may be reduced by reducing the nominal value of shares or by cancelling shares; however, share capital may not be reduced below the minimum amount provided by law.
- 2.6. The Company shall form a legal reserve of 1/10 (one-tenth) of its share capital to cover a loss and to increase the amount of share capital.
- 2.7. If share capital is increased without amending the articles of association, the Company's legal reserve shall also be increased on a pro rata basis.
- 2.8. Until the amount stipulated in the articles of association has been reached, at least 1/20 (one-twentieth) of the net profit shall be transferred to the legal reserve annually.
- 2.9. Upon a resolution of the general meeting, the legal reserve may be used to cover a loss if it is not possible to cover the loss from available shareholders' equity of the Company (from retained earnings and legal reserve prescribed by the articles of association), or may be used to increase share capital. Payments may not be made to shareholders from the legal reserve.

### **3. SHARES**

- 3.1. The share capital of the Company is divided into shares (hereinafter respectively a "Share" or "Shares"). The nominal value of a Share is 0.2 (zero point two) euros. Each Share gives a shareholder one (1) vote.
- 3.2. The Company has one class of Shares.
- 3.3. Shares shall be registered with the Estonian Central Register of Securities. The management board of Company shall ensure timely submission of correct information provided by law to the person maintaining the share register.
- 3.4. Based on a resolution of the general meeting of shareholders the Company may, for a conditional increase of its share capital, issue convertible bonds the holders of which have the right to convert their bonds to shares. The sum of the nominal values of convertible bonds may not be greater than 1/3 (one-third) of the share capital.
- 3.5. A shareholder shall pay the cost of the shares subscribed for within the time prescribed. If a shareholder fails to pay for the shares on time, the shareholder shall pay the Company a late charge of zero point two per cent (0.2%) of the outstanding amount per day.
- 3.6. The shares are freely transferable. A share may be pledged.

### **4. SHAREHOLDERS' RIGHTS, OBLIGATIONS AND GENERAL MEETING OF SHAREHOLDERS**

- 4.1. The Company's shareholders shall exercise their rights at the general meeting of the shareholders of the Company, which is the highest directing body of the Company. The shareholders have equal rights under

equal circumstances. The rights of the shareholders are prescribed by law and the articles of association of the Company. A shareholder must meet its obligations arising from law or the articles of association of the Company. A shareholder must keep in confidence any confidential information relating to the Company or its activities.

- 4.2. An annual general meeting shall be called by the management board once a year but not later than six months after the end of the financial year. An extraordinary general meeting shall be called in the cases and pursuant to the procedure provided by the Commercial Code. An application for calling an extraordinary general meeting shall be submitted to the management board of the Company in writing. The management board of the Company shall give the shareholders notice of an extraordinary general meeting as prescribed by law.
- 4.3. The management board shall send a notice of the general meeting to the addresses entered in the share register or shall publish a relevant notice in a daily national newspaper.
- 4.4. A notice of the general meeting shall be prepared in accordance with the Commercial Code.
- 4.5. A general meeting shall be held at the seat of the Company or in another location specified by the management board.
- 4.6. The general meeting may adopt resolutions if over one-half of the votes represented by shares are present. If the required number of shares is not present, the management board shall call a new meeting with the same agenda within three weeks but not earlier than after seven days. The new general meeting is competent to adopt resolutions regardless of the votes represented at the meeting.
- 4.7. The set of shareholders entitled to take part in a general meeting shall be determined as prescribed by law.
- 4.8. The general meeting shall be competent to:
  - 4.8.1. amend the articles of association;
  - 4.8.2. increase and reduce share capital;
  - 4.8.3. issue convertible bonds;
  - 4.8.4. elect and remove members of the supervisory board;
  - 4.8.5. elect an auditor;
  - 4.8.6. designate a special audit;
  - 4.8.7. approve the annual report and distribute profits;
  - 4.8.8. amend the rights attaching to a type of shares;
  - 4.8.9. decide on the dissolution, merger, division or transformation of the Company;
  - 4.8.10. decide on other matters placed in the competence of the general meeting by law.
- 4.9. A resolution of the general meeting shall be adopted if over one-half of the votes represented at the general meeting are in favour unless the law or these articles of association prescribe a greater majority requirement.
- 4.10. Minutes shall be taken of resolutions of the general meeting. The minutes shall be signed by the chair and secretary of the meeting.

## **5. SUPERVISORY BOARD**

- 5.1. The supervisory board is a directing body of the Company which plans the activities of the Company, organises the management of the Company and supervises the activities of the management board. The supervisory board shall notify the general meeting of shareholders of the results of supervision.
- 5.2. The supervisory board shall approve the budget of the Company.
- 5.3. The Company's supervisory board shall have the minimum of three (3) and the maximum of seven (7) members. The members of the supervisory board shall be elected by the general meeting of shareholders for a term of up to five (5) years. A member of the supervisory board may be removed by a resolution of the general meeting of shareholders regardless of the reason.
- 5.4. The members of the supervisory board shall elect a chairman from among themselves, who shall organise the activities and chair the meetings of the supervisory board.
- 5.5. The meetings of the supervisory board shall be held when necessary but not less frequently than once every three (3) months.

- 5.6. The members of the supervisory board shall be given at least 7 days' advance notice in writing of a supervisory board meeting and of the agenda of the meeting. A notice of a meeting of the supervisory board and relevant materials shall be sent to the members of the supervisory board by email.
- 5.7. A meeting of the supervisory board shall have a quorum if more than one-half of the members of the supervisory board are present. A member of the supervisory board may not be represented by another member of the supervisory board or by a third person at a meeting or in the adoption of a resolution.
- 5.8. The supervisory board (Council) has the right to increase the share capital of the Company by up to 1 200 000 Euros within 3 years as from adopting this version of the articles of association. Shares issued by the Council may be paid for by monetary contributions and/or by non-monetary contribution, if so resolved by the Council. Non-monetary contribution shall be valued pursuant to law and these articles of association.
- 5.9. The supervisory board shall adopt resolutions by a simple majority of the votes present. Each member of the supervisory board shall have one (1) vote. A member of the supervisory board may not abstain from voting or remain undecided. In the case of an equal division of votes, the chairman of the supervisory board shall have the casting vote.
- 5.10. Minutes shall be taken of the meetings of the supervisory board. The minutes shall be signed by all the members of the supervisory board who participate in the meeting and the secretary of the meeting.
- 5.11. The supervisory board is entitled to adopt resolutions without calling a meeting. In such a case the chairman of the supervisory board shall send a written draft resolution to all members of the supervisory board, specifying a term during which the members must present their written positions on it. If a member of the supervisory board does not give notice of whether the member is in favour of or opposed to the resolution during this term, it shall be deemed that he or she votes against the resolution. If a resolution is made pursuant to the procedure provided for in this article, the resolution shall be adopted if more than one-half of the votes of the members of the supervisory board are in favour unless the law or the articles of association prescribe a greater majority requirement.
- 5.12. The supervisory board shall adopt resolutions pursuant to the procedure and within the scope of authority provided by law and the articles of association.
- 5.13. The supervisory board shall give orders to the management board for organisation of the management of the Company.
- 5.14. The management board needs the consent of the supervisory board for concluding transactions which are beyond the scope of everyday economic activities of the Company and, above all, for concluding transactions which bring about:
  - 5.14.1. the acquisition or termination of holdings in other companies; or
  - 5.14.2. the acquisition, transfer or dissolution of a business; or
  - 5.14.3. the transfer of immovables or registered movables the value whereof exceeds 300,000 euros, and encumbrance of immovables or registered immovables (of any value); or
  - 5.14.4. the foundation or closure of foreign branches; or
  - 5.14.5. the making of investments exceeding a prescribed sum of expenditure for the current financial year; or
  - 5.14.6. the assumption of loans or debt obligations exceeding a prescribed sum for the current financial year (except intra-group loans); or
  - 5.14.7. the granting of loans or the guarantee of debt obligations (except intra-group loans) if this is beyond the scope of everyday economic activities.
- 5.15. The general meeting of shareholders may grant the supervisory board the right to increase share capital to the extent and pursuant to the procedure provided by the Commercial Code.
- 5.16. A member of the supervisory board may not participate in voting if the conclusion of a transaction between the Company and the member of the supervisory board or a legal person in which the member of the supervisory board or a person connected with him or her has a qualifying holding is being decided.

## **6. MANAGEMENT BOARD**

- 6.1. The management board is a directing body of the Company which represents and directs the Company. The management board shall, in directing the Company, act in compliance with the articles of association and lawful orders of the supervisory board.

- 6.2. The management board shall have one (1) to five (5) members. The members of the management board shall be elected and removed by a resolution of the supervisory board. The term of authority of a member of the management board shall be three (3) years unless the supervisory board decides otherwise. In order to elect a member of the management board, his or her written consent is required.
- 6.3. If the management board of the Company has more than two (2) members, the supervisory board shall appoint a chairman of the management board. The chairman of the management board shall organise the activities of the management board and shall manage the everyday activities of the Company.
- 6.4. Each member of the management board may represent the Company alone in all legal acts.
- 6.5. The management board shall appoint and dismiss the Company's directors and person responsible for accounting (the executive management). The management board shall approve the scope of authority of such persons.
- 6.6. A member of the management board may not participate in voting if the conclusion of a transaction between the Company and the member of the management board or a legal person in which the member of the management board or a person connected with him or her has a qualifying holding is being decided.

**7. COMPENSATION FOR DAMAGE**

- 7.1. A shareholder or member of the management or supervisory board shall fully compensate the Company for any damage caused to the Company due to a wrongful act or omission of the shareholder or member of the supervisory or management board.
- 7.2. A shareholder or member of the management or supervisory board shall fully compensate the creditors of the Company for any damage caused to the creditors of the Company due to a wrongful act or omission of the shareholder or member of the supervisory or management board.

**8. AUDITORS**

- 8.1. The number of auditors shall be specified and auditor(s) shall be appointed by the general meeting of shareholders, which shall also specify the procedure for remuneration of auditors. Auditor(s) shall be appointed to conduct a single audit or for a specific term. The written consent of a person shall be required for appointment of the person as auditor.

**9. REPORTING**

- 9.1. The financial year of the Company shall commence on 1 January and end on 31 December.
- 9.2. After the end of each financial year, the management board shall prepare an annual report pursuant to the procedure provided by law.
- 9.3. Reports shall be approved and submitted pursuant to the procedure provided by law.
- 9.4. Profit shall be distributed based on a resolution of the general meeting.

**10. FINAL PROVISIONS**

- 10.1. The liquidation, merger, division or transformation of the Company shall be carried out pursuant to the procedure provided by law.
- 10.2. The liquidators of the Company shall be appointed by the general meeting that adopted the liquidation resolution unless otherwise provided by law. There can be one liquidator or several liquidators.

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[name of signing management board member]

*Member of the Company's management board*