

## **ARTICLES OF ASSOCIATION**

### **of AB “Grigeo Grigiškės”**

#### **1. GENERAL PART**

- 1.1.** AB “Grigeo Grigiškės” (hereinafter referred to as the Company) is a legal entity, established according to the legislation of the Republic of Lithuania, whose authorized capital is divided into parts called shares. The Company carries out its activities following the legislation of the Republic of Lithuania and the present Articles of Association.
- 1.2.** The Company is a private legal entity with limited civil liability, able to acquire and have rights and liabilities on its own behalf, act as an applicant and defendant at court.
- 1.3.** The Company, according to its liabilities, shall be liable only by its assets, and its shareholders shall be liable according to the Company’s liabilities only by the amount, which they have to pay for the shares. The Company shall not be liable for its shareholders’ liabilities against third persons.
- 1.4.** The name of the Company: AB “Grigeo Grigiškės”.
- 1.5.** The legal form of the Company: public limited liability company.
- 1.6.** The financial year of the Company shall be calendar year.

#### **2. THE PURPOSES AND OBJECT OF ACTIVITIES OF THE COMPANY**

- 2.1.** The main purpose of activities of the Company shall be manufacture, trade and provide services in order to earn profit.
- 2.2.** Nature of economic commercial activity of the Company (based on NACE (statistical classification of economic activities) Rev. 2):
  - 16.21 Manufacture of veneer sheets and wood-based panels
    - 16.21.10 Manufacture of fibreboard, covered with decorative coat
  - 16.24 Manufacture of wooden containers
    - 16.24.10 Manufacture of pallets, box pallets and other load boards of wood
  - 16.29 Manufacture of other products of wood; manufacture of articles of cork, straw and plaiting materials
  - 17.11 Manufacture of pulp
  - 17.12 Manufacture of paper and paperboard
    - 17.21 Manufacture of corrugated paper and paperboard and of containers of paper and paperboard
    - 17.22 Manufacture of household and sanitary goods and of toilet requisites
      - 17.22.10 Manufacture of toilet paper
  - 18.12 Other printing
  - 20.52 Manufacture of glues
  - 20.59 Manufacture of other chemical products n.e.c.

32.99 Other manufacturing n.e.c.  
35.13 Distribution of electricity  
35.14 Trade of electricity  
35.30 Steam and air conditioning supply  
35.30.20 Hot water supply  
36.00 Water collection, treatment and supply  
36.00.30 Water supply to residents  
37.00 Sewerage  
38 Waste collection, treatment and disposal activities; materials recovery  
41.10 Development of building projects  
41.20 Construction of residential and non-residential buildings  
41.20.10 Construction of new buildings  
42 Civil engineering  
42.11 Construction of roads and motorways  
42.12 Construction of railways and underground railways  
42.13 Construction of bridges and tunnels  
42.21 Construction of utility projects for fluids  
42.22 Construction of utility projects for electricity and telecommunications  
42.99 Construction of other civil engineering projects n.e.c.  
43.99 Other specialized construction activities n.e.c.  
45.11 Sale of cars and light motor vehicles  
45.19 Sale of other motor vehicles  
45.20 Maintenance and repair of motor vehicles  
46.90 Non-specialized wholesale trade  
47.19 Other retail sale in non-specialized stores  
47.99 Other retail sale not in stores, stalls or markets  
49.41 Freight transport by road  
49.50 Transport via pipeline  
52.10 Warehousing and storage  
52.21 Service activities incidental to land transportation  
52.24 Cargo handling  
52.29 Other transportation support activities  
58.11 Book publishing  
58.12 Publishing of directories and mailing lists  
58.13 Publishing of newspapers  
58.14 Publishing of journals and periodicals  
58.19 Other publishing activities  
58.21 Publishing of computer games  
58.29 Other software publishing

- 59.20 Sound recording and music publishing activities
  - 60.10 Radio broadcasting
  - 60.20 Television programming and broadcasting activities
  - 61.10 Wired telecommunications activities
  - 61.20 Wireless telecommunications activities
  - 61.30 Satellite telecommunications activities
  - 61.90 Other telecommunications activities
  - 62.01 Computer programming activities
  - 62.03 Computer facilities management activities
  - 62.09 Other information technology and computer service activities
  - 63.11 Data processing, hosting and related activities
  - 63.12 Web portals
  - 63.99 Other information service activities n.e.c.
  - 68.10 Buying and selling of own real estate
  - 68.20 Renting and operating of own or leased real estate
  - 68.31 Real estate agencies
  - 68.32 Management of real estate on a fee or contract basis
  - 73.11 Advertising agencies
  - 73.12 Media representation
  - 74.10 Specialized design activities
  - 74.90 Other professional, scientific and technical activities n.e.c.
  - 77.11 Renting and leasing of cars and light motor vehicles
  - 77.12 Renting and leasing of trucks
  - 77.31 Renting and leasing of agricultural machinery and equipment
  - 77.32 Renting and leasing of construction and civil engineering machinery and equipment
  - 77.33 Renting and leasing of office machinery and equipment (including computers)
  - 77.39 Renting and leasing of other machinery, equipment and tangible goods n.e.c.
  - 77.40 Leasing of intellectual property and similar products, except copyrighted works
  - 81.10 Combined facilities support activities
  - 82.30 Organization of conventions and trade shows
  - 82.91 Activities of collection agencies and credit bureaus
  - 82.99 Other business support service activities n.e.c.
  - 85.32 Technical and vocational secondary education
  - 85.51 Sports and recreation education
  - 96.09 Other personal service activities n.e.c.
- 2.3.** The Company may carry out licensed or determined-order activities only upon receipt of respective permits and/or licenses.
- 2.4.** The Company may carry out any other legal activities, which are not in conflict with the legislation of the Republic of Lithuania.

### **3. AUTHORIZED CAPITAL OF THE COMPANY**

- 3.1.** The authorized capital of the Company is EUR 19,053,000 (nineteen million fifty three thousand euro).
- 3.2.** The authorized capital of the Company may be increased or reduced under procedure laid down by the Law on Companies and other legislation of the Republic of Lithuania.

### **4. NUMBER OF SHARES, THEIR NOMINAL VALUE AND GRANTED RIGHTS**

- 4.1.** The authorised capital of the Company is divided into 65,700,000 (sixty five million seven hundred thousand) ordinary registered shares. The nominal value of one share is EUR 0.29 (twenty nine cents).
- 4.2.** The Company's shares shall be uncertified. The Company's shares shall be fixed by records in personal securities accounts of shareholders. The personal securities accounts of the Company's shareholders shall be handled under procedure laid down by the legislation regulating securities market.
- 4.3.** A share shall not be divided into parts. If one share belongs to several owners, then all its owners shall be deemed one shareholder. In such case such shareholder shall be represented by one of share's owners according to a written notarized proxy of all owners. The owners of the share shall be solidary liable against shareholder's liabilities.
- 4.4.** Shares are securities, granting their owners (shareholders) the following property and non-property rights:
  - 4.4.1.** to receive a part of the Company's profit – dividend;
  - 4.4.2.** to receive the Company's funds, when the authorised capital of the Company is reduced in order to pay the Company's funds to the shareholders;
  - 4.4.3.** to receive shares without payment if the authorised capital is increased out of the Company funds, except for the exceptions laid down in the Law on Companies of the Republic of Lithuania;
  - 4.4.4.** to have the pre-emption right in acquiring the shares or convertible debentures issued by the company, except in the case when the general meeting of shareholders decides to withdraw the pre-emption right for all the shareholders according to the procedure specified by the Law on Companies of the Republic of Lithuania;
  - 4.4.5.** to lend to the Company under methods laid down by the laws of the Republic of Lithuania, however, the Company, when borrowing from its shareholders, is not entitled to mortgage its assets to the shareholders. In case the Company borrows from the shareholder, interest cannot exceed the average interest rate of commercial banks located in the residential or business place of a loan provider, valid on the moment of conclusion of a loan contract. In such case it shall be forbidden for the Company and shareholders to agree on higher interest rate.
  - 4.4.6.** to receive a part of assets of the Company in liquidation;
  - 4.4.7.** to leave all or part of his/her shares for the ownership of other persons under the will;
  - 4.4.8.** to transfer all or part of shares for the ownership of other persons under procedure laid down by the Law on Companies of the Republic of Lithuania;
  - 4.4.9.** to attend the general meetings of shareholders;
  - 4.4.10.** to submit to the Company in advance the questions related to the issues on the agenda of the general meeting of shareholders;
  - 4.4.11.** to vote at general meetings of shareholders according to voting rights carried by their shares (each fully paid share with nominal value of EUR 0.29 shall grant one vote);
  - 4.4.12.** to receive information on the Company under procedure and conditions laid down by the legislation of the Republic of Lithuania and the present Articles of Association;
  - 4.4.13.** to apply to court with an application, asking to compensate damage to the Company, incurred due to failure to perform or improper performance of duties of the manager of the Company

and members of the Board, laid down in the Law on Companies of the Republic of Lithuania and other laws, as well as the present Articles of Association, and in other cases laid down by the laws of the Republic of Lithuania as well.

**4.4.14.** to authorise other person to vote for him/her in the general meeting of shareholders;

**4.4.15.** Shareholders may also have other property and non-property rights laid down by the legislation of the Republic of Lithuania.

## **5. BODIES OF THE COMPANY**

**5.1.** The Company shall acquire civil rights, assume civil duties and implement them through its bodies. The bodies of the Company are as follows:

**5.1.1.** General meeting of shareholders;

**5.1.2.** Supervisory board;

**5.1.3.** Board;

**5.1.4.** Manager of the Company – the President.

## **6. COMPETENCE OF THE GENERAL MEETING OF SHAREHOLDERS, PROCEDURE OF ITS CONVENING AND VOTING IN IT**

**6.1.** Competence of the general meeting of shareholders. The general meeting of shareholders shall have the exclusive right:

**6.1.1.** to amend the Articles of Association, except for the exceptions laid down in the Law on Companies of the Republic of Lithuania;

**6.1.2.** change the registered office of the Company;

**6.1.3.** to elect members of the supervisory board, to recall the supervisory board or its members;

**6.1.4.** elect and remove a certified auditor or an audit firm for the carrying out of the audit of a set of annual financial statements, set conditions for payment for audit services;

**6.1.5.** determine the class, number, nominal value and the minimum issue price of the shares issued by the Company;

**6.1.6.** take a decision on conversion of the Company's shares of one class into shares of another class, approve the share conversion procedure;

**6.1.7.** approve the set of annual financial statements;

**6.1.8.** take a decision on profit (loss) distribution;

**6.1.9.** take a decision on the building, use, reduction and liquidation of reserves;

**6.1.10.** approve the set of interim financial statements drawn up for the purpose of adoption of a decision on the allocation of dividends for a period shorter than the financial year;

**6.1.11.** take a decision on the allocation of dividends for a period shorter than the financial year;

**6.1.12.** take a decision on the issue of convertible debentures;

**6.1.13.** take a decision on withdrawal for all the shareholders the right of pre-emption in acquiring the company's shares or convertible debentures of a specific issue;

**6.1.14.** take a decision on increase of the authorised capital;

**6.1.15.** take a decision on reduction of the authorised capital, except where otherwise provided for by the Law on Companies of the Republic of Lithuania;

**6.1.16.** take a decision on the Company's acquisition of its own shares;

- 6.1.17.** take a decision on the reorganisation or split-off of the Company and approve the terms of reorganisation or split-off, except where otherwise provided for by the Law on Companies of the Republic of Lithuania;
  - 6.1.18.** take a decision on conversion of the Company;
  - 6.1.19.** take a decision on the restructuring of the Company in the cases specified by the Law on Restructuring of Enterprises;
  - 6.1.20.** take a decision on liquidation of the Company or on cancellation of the liquidation of the Company, except where otherwise provided for by the Law on Companies of the Republic of Lithuania;
  - 6.1.21.** elect and remove the liquidator of the Company, except where otherwise provided for by the Law on Companies of the Republic of Lithuania;
- 6.2.** The general meeting of shareholders may solve other issues as well, which are attributed to its competence in the Articles of Association, if they are not attributed to the competence of other bodies of the Company under the Law on Companies of the Republic of Lithuania and if these are not the functions of the management bodies in their nature.
- 6.3.** The general meeting of shareholders shall not be entitled to assign other bodies of the Company to settle the issues attributed to its competence.
- 6.4.** The supervisory board, the board and the shareholders, owning the shares that grant no less than 1/10 of all votes shall have the initiative right of convening of the general meeting of shareholders.
- 6.5.** The general meeting of shareholders shall be convened by a decision of the board or of the manager of the Company, if the Company has less than half the number of members of the board laid down in the present Articles of Association or if the Company's board fails to convene the general meeting of shareholders in cases and within terms, laid down by the Law on Companies of the Republic of Lithuania.
- 6.6.** The general meeting of shareholders shall be convened under a court judgment in cases, laid down by the Law on Companies of the Republic of Lithuania.
- 6.7.** The annual general meeting of shareholders must be held every year, not later than within 4 months from the end of financial year.
- 6.8.** The extraordinary general meeting of shareholders must be convened if:
- 6.8.1.** the Company's equity capital falls below 1/2 of the authorised capital laid down in the Articles of Association and this issue has not been discussed at an annual general meeting of shareholders;
  - 6.8.2.** the number of members of the supervisory board becomes less than 2/3 of their number laid down in the Articles of Association or their number becomes less than 3.
  - 6.8.3.** The auditor or the audit company terminates a contract with the Company or is for any other reason unable to audit the Company's set of annual financial statements, if the audit is mandatory under the Law on Companies of the Republic of Lithuania or the Articles of Association;
  - 6.8.4.** this is requested by the shareholders, having the right of initiative to convene the general meeting of shareholders, the supervisory board, the board;
  - 6.8.5.** this is requested under the Law on Companies of the Republic of Lithuania or other laws or the present Articles of Association.
- 6.9.** The persons, who were shareholders of the Company at the end of the accounting day of the general meeting of shareholders, shall be entitled to attend and vote at the general meeting of shareholders or the repeated general meeting of shareholders, personally, except for the exceptions laid down by the laws of the Republic of Lithuania, or their authorised persons, or persons, with whom an agreement on the disposal of the voting right has been concluded. The accounting day of the Company's general

meeting of shareholders shall be the fifth business day prior to the general meeting of shareholders or the fifth business day prior to the repeated general meeting of shareholders.

- 6.10.** Members of the supervisory board, members of the board, the manager of the Company, an auditor, who has prepared the conclusion and the report, have the right to attend and speak in the general meeting of shareholders as well.
- 6.11.** Shareholders participating in the general meeting of shareholder shall be registered in the list of shareholders' registration. The list shall contain the number of votes, granted to each shareholder by his/her owned shares.
- 6.12.** The general meeting of shareholders may take decisions and shall be held valid, if attended by the shareholders who hold the shares carrying not less than  $\frac{1}{2}$  of all votes. After the presence of a quorum has been established, the quorum shall be deemed to be present throughout the Meeting. If the quorum is not present, the general meeting of shareholders shall be considered invalid and a repeat general meeting of shareholders must be convened, which shall be authorised to take decisions only on the issues on the agenda of the meeting that was not held and to which the quorum requirement shall not apply.
- 6.13.** Voting in the general meeting of shareholders shall be open. Secret voting shall be mandatory to all shareholders regarding such issues, for which at least one shareholders requests secret voting and having the approval of shareholders, owning the shares, which grant no less than  $\frac{1}{10}$  of votes in such general meeting of shareholders.
- 6.14.** A decision of the general meeting of shareholders shall be considered taken, when it receives more shareholders' votes for it than against it, except for the following cases:
  - 6.14.1.** The general meeting of shareholders shall take decisions by the qualified majority that must be not less than  $\frac{2}{3}$  of all votes carried by the shares held by the shareholders attending the meeting regarding the issues, set out in Articles 6.1.1., 6.1.5., 6.1.6., 6.1.8., 6.1.9., 6.1.11., 6.1.12., 6.1.14., 6.1.15., 6.1.17., 6.1.18., 6.1.19., 6.1.20. of the present Articles of Association.
  - 6.14.2.** The general meeting of shareholders shall take decisions by the qualified majority that must be not less than  $\frac{3}{4}$  of all votes carried by the shares held by the shareholders attending the meeting regarding the issue, set out in Article 6.1.13. of the present Articles of Association.
- 6.15.** Other issues, related to activity of the general meeting of shareholders and decisions to be taken shall be regulated under procedure, laid down in the Law on Companies of the Republic of Lithuania.

## **7. SUPERVISORY BOARD**

- 7.1.** The supervisory board is a collegial body, performing the Company's activity supervision and consisting of 5 members. The supervisory board is managed by its chairman, who is elected by the supervisory board from its members.
- 7.2.** The general meeting of shareholders shall elect the Company's supervisory board for the period of 4 years under procedure laid down by the Law on Companies of the Republic of Lithuania. The supervisory board or its members shall start the activity after the end of the general meeting of shareholders, which has elected the supervisory board or its members. The supervisory board shall carry out its functions for the period set out in the Articles of Association or until election of a new supervisory board, but no longer than until the annual general meeting of shareholders, which takes place during the year of expiry term of the supervisory board. Number of terms for a member of the supervisory board shall be unlimited.
- 7.3.** The general meeting of shareholders may recall the entire supervisory board or its single members prior to expiry of term of the supervisory board.
- 7.4.** A member of the supervisory board may resign from position prior to the term, informing the Company in writing thereof no later than prior to 14 days.

- 7.5.** If a member of the supervisory board is recalled, resigns or stops being in the position due to other reasons and the shareholders, owning the shares, which grant no less than 1/10 of all votes object to election of single members of the supervisory board, the supervisory board shall lose its authority and the entire supervisory board shall be elected. If single members of the supervisory board are elected, they shall be elected only until the expiry of term of the operating supervisory board.
- 7.6.** The supervisory board shall:
- 7.6.1.** elect members of the board and recall them from their position. If the Company is operating at a loss, the supervisory board must consider the suitability of members of the board for their position;
  - 7.6.2.** supervise the activities of the board and the manager of the Company;
  - 7.6.3.** present comments and proposals to the general meeting of shareholders regarding the Company's business strategy, set of annual financial statements, draft of profit (loss) distribution and the annual report of the Company as well as the activities of the board and the manager of the Company;
  - 7.6.4.** submit to the general meeting of shareholders comments and proposals regarding draft a draft decision on the allocation of dividends for period shorter than financial year and the prepared set of interim financial statements and interim report, drawn up for the purpose of adoption of the decision;
  - 7.6.5.** present proposals to the board and the manager of the Company to revoke their decisions which are in conflict with the laws and other legislation, the Articles of Association or the decisions of the general meeting of shareholders;
  - 7.6.6.** settle other issues regarding the supervision of the activities of the Company and its management bodies, attributed to the competence of the supervisory board in the Articles of Association, as well as in the decisions of the general meeting of shareholders.
- 7.7.** The supervisory board may pass resolutions and the meeting shall be deemed accomplished, when over half of members of the supervisory board attend such meeting. A resolution of the supervisory board shall be passed, when it receives more votes for it than against it. A decision to recall a member of the board may be passed, when no less than 2/3 of the members of the supervisory board attending the meeting vote for it.
- 7.8.** Work procedure of the supervisory board shall be determined by the work regulation approved by the supervisory board.
- 7.9.** Other issues, related to activity of the supervisory board and resolutions to be passed shall be regulated under procedure, laid down in the Law on Companies of the Republic of Lithuania.

## **8. BOARD**

- 8.1.** The board is a collegial management body of the Company, which consists of 5 members. The board elects the chairman of the board from its members.
- 8.2.** The board is elected by the supervisory board for the period of 4 years.
- 8.3.** The board or its members shall start the activity upon finishing the meeting of the supervisory board, which has elected the board or its members. The board shall carry out its functions for the period set out in the Articles of Association or until election and operation of a new board, but no longer than until the annual general meeting of shareholders, which takes places during the year of expiry term of the board. Number of terms for a member of the board shall be unlimited.
- 8.4.** The board shall consider and approve:
- 8.4.1.** the business strategy of the Company;
  - 8.4.2.** the annual report of the Company;
  - 8.4.3.** The interim report of the Company;



- 8.4.4.** The management structure of the Company, positions of employees and work payment systems of employees;
  - 8.4.5.** positions, to which employees are accepted under procedure of contest;
  - 8.4.6.** regulations of branches and representative offices of the Company.
- 8.5.** The board shall:
- 8.5.1.** elect and recall the manager of the Company, determine his/her salary, other terms and conditions of employment contract, approve his job description, provide incentives for and impose penalties against on him/her;
  - 8.5.2.** elect and recall employees directly accountable to the manager of the Company, directors of the divisions / departments of the Company, determine their salaries, other terms and conditions of employment contracts, approve their job descriptions; hand out bonuses to them;
  - 8.5.3.** elect and remove an accounting firm for handling of accounting of the Company, set conditions for payment for accounting services;
  - 8.5.4.** approve reward systems for the employees of the Company;
  - 8.5.5.** elect and recall the heads of the Company's branches and representative offices;
  - 8.5.6.** determine information, which shall be deemed the Company's commercial (industrial) secret and confidential information.
- 8.6.** The board shall take the following decisions:
- 8.6.1.** decisions for the Company to become an incorporator or a member of other legal persons;
  - 8.6.2.** decisions on the opening of branches and representative offices of the Company;
  - 8.6.3.** decisions on the investment, disposal or lease of the fixed assets the book value whereof exceeds 1/20 of the authorized capital of the Company (calculated individually for every type of transaction);
  - 8.6.4.** decisions on the pledge or mortgage of the fixed assets the book value whereof exceeds 1/20 of the authorized capital of the Company (calculated for the total amount of transactions);
  - 8.6.5.** decisions on offering of suretyship or guarantee for the discharge of obligations of third parties the amount whereof exceeds 1/20 of the authorized capital of the Company;
  - 8.6.6.** decisions on the acquisition of the fixed assets the price whereof exceeds 1/20 of the authorized capital of the Company;
  - 8.6.7.** other decisions assigned to the scope of powers of the board the articles of association of the Company or the decisions of the general meeting of shareholders.
- 8.7.** The board shall analyse and assess the information submitted by the manager of the Company on:
- 8.7.1.** the implementation of the business strategy of the company;
  - 8.7.2.** the organisation of the activities of the Company;
  - 8.7.3.** the financial status of the Company;
  - 8.7.4.** the results of economic activities, income and expenditure estimates, the stock-taking and other accounting data of changes in the assets.
- 8.8.** The board shall analyse and assess a set of the Company's annual financial statements and a draft of profit (loss) distribution and shall submit them to the supervisory board and to the general meeting of shareholders together with feedback and related proposals and the annual report of the Company.
- 8.9.** The board shall determine the rates and calculation methods of depreciation or amortisation of the fixed assets applicable in the Company.
- 8.10.** The board shall analyse and assess the draft resolution on allocation of dividends for a shorter period than one financial year and the set of interim financial statements formed for its passing and present

them to the supervisory board and the general meeting of shareholders together with the Company's interim report.

- 8.11.** The board shall be liable for timely convening and organisation of the general meetings of shareholders.
- 8.12.** The board shall submit to the supervisory board the requested documents related to the Company's activities.
- 8.13.** Members of the board may not disclose commercial/industrial secrets of the Company or confidential information which they obtained while holding the office of members of the board.
- 8.14.** The board may adopt decisions and its meeting shall be deemed to have been held when the meeting is attended by 2/3 or more of the members of the board. The decision of the board shall be adopted if more votes for it are received than the votes against it.
- 8.15.** The working procedure of the board shall be laid down in the rules of procedure of the board adopted by it.

## **9. MANAGER OF THE COMPANY**

- 9.1.** The manager of the Company – the President – shall be the single-person management body of the Company. The manager of the Company shall organise and carry out the Company's economic commercial activity. The manager of the Company shall follow in his/her activity the laws of the Republic of Lithuania, other legislation, the Articles of Association, decisions of the general meeting of shareholders, decisions of the supervisory board and the board and the statutory regulations.
- 9.2.** The manager of a company shall be elected and removed from office by the board, which shall also fix his salary, approve his job description, provide incentives and impose penalties. The manager of the Company shall commence performance of his duties from his election, unless otherwise provided for in the contract concluded with him. Employment contract shall be concluded with the manager of the Company under procedure laid down in the Law on Companies of the Republic of Lithuania.
- 9.3.** The manager of the Company shall organise daily activities of the Company, hire and dismiss employees, conclude and terminate employment contracts with them, provide incentives and impose penalties on them.
- 9.4.** The manager of the Company shall act on behalf of the Company and shall be entitled to solely conclude transactions. The manager of the Company may conclude transactions set out in clauses 8.5.3., 8.6.3-8.6.6 of the Articles of Association only upon decision of the board of the Company to conclude such transactions.
- 9.5.** The manager of the Company shall protect the Company's commercial (industrial) secrets, confidential information which he/she has found out while being in the position.
- 9.6.** The manager of the Company shall be responsible for
  - 9.6.1.** organising of activities and implementation of purposes of the Company;
  - 9.6.2.** drawing up of a set of annual financial statements and preparation of the annual report of the Company;
  - 9.6.3.** drafting of a decision on the allocation of dividends for a period shorter than the financial year, drawing up of a set of interim financial statements and an interim report for the purpose of adoption of the decision on the allocation of dividends for a period shorter than the financial year;
  - 9.6.4.** conclusion of a contract with a certified auditor or an audit company, when audit is mandatory under the laws or the Articles of Association;
  - 9.6.5.** presentation of information and documents to the general meeting of shareholders, the supervisory board and the board;
  - 9.6.6.** submission of the Company's documents and data to the manager of the register of legal entities;

- 9.6.7. submission of the documents to the Bank of Lithuania and the Central Securities Depository of Lithuania;
  - 9.6.8. public announcement of the information laid down in the Law on Companies of the Republic of Lithuania in a daily paper set out in the Articles of Association;
  - 9.6.9. submission of information to shareholders;
  - 9.6.10. performance of other duties laid down in the Law on Companies of the Republic of Lithuania and other legislation, as well as the Articles of Association and statutory regulations of the manager of the Company.
- 9.7. The manager of the Company shall ensure that an auditor will be submitted all documents of the Company necessary for auditing and indicated in the contract with an audit company or a certified auditor.

## **10. PROCEDURE FOR PUBLISHING NOTICES OF THE COMPANY**

- 10.1. The Company's notices shall be sent to concerned persons by registered mail or delivered under signature or published under procedure laid down by the legislation in the source set out in clause 10.3 of the Articles of Association in cases laid down in the Law on Companies of the Republic of Lithuania and other legislation.
- 10.2. Notice of the public limited liability company, whose shares are admitted to trading on the regulated market, on the convened general meeting of shareholders following the procedure and terms laid down by the Law on Companies shall be publicly announced in the Republic of Lithuania and all other Member-States of the European Union, as well as in the states belonging to the European Economic Area under procedure laid down in the Law on Securities of the Republic of Lithuania. A notice on convening of the general meeting of shareholders may be published additionally in the source set out in clause 10.3 of the present Articles of Association.
- 10.3. Public information of the Company shall be published in the daily paper "Lietuvos Rytas" in cases laid down by the legislation under procedure and terms laid down by the Civil Code of the Republic of Lithuania, the Law on Companies and other legislation.

## **11. PROCEDURE FOR PRESENTING THE COMPANY'S DOCUMENTS AND OTHER INFORMATION TO SHAREHOLDERS**

- 11.1. Upon written request of a shareholder, the Company no later than within 7 days from the day of receipt of the request shall form a possibility to the shareholder to familiarize with and/or submit copies of the following documents: the Articles of Association, sets of the annual and interim financial statements, annual and interim reports of the Company, the auditor's opinions and audit reports, minutes of the general meetings of shareholders or other documents, under which resolutions of the general meeting of shareholders are executed, the recommendations and responses of the supervisory board to the general meetings of shareholders, lists of shareholders, lists of members of the supervisory board and the board, other documents of the Company, which must be public according to the laws, as well as minutes of the meetings of the supervisory board and the board or other documents, under which resolutions of these bodies of the Company are executed, if such documents do not contain commercial (industrial) secret or confidential information.
- 11.2. A shareholder or a group of shareholders, who hold or control 1/2 of shares and more shall have the right to access all documents of the Company subject to presenting to the Company a written pledge in the form prescribed by the Company not to disclose the commercial/industrial secret or confidential information. A shareholder shall be liable for disclosure of commercial (industrial) secret, confidential information under procedure laid down by the laws of the Republic of Lithuania.
- 11.3. A refusal to grant to the shareholder access to and/or submit copies of documents shall be executed by the Company in writing if the shareholder so requests. Disputes relating to the shareholder's right to access information shall be settled in court.

- 11.4.** List of the Company's shareholders, submitted to the shareholders shall contain all the data available by the Company on each shareholder, and if a share belongs to several owners – on each owner and their representative (name, surname, place of residence or address for correspondence of a natural person; legal entity's name, legal form, registered office address), number of shares belonging to the shareholder under the ownership right.

## **12. BRANCHES AND REPRESENTATIVE OFFICES OF THE COMPANY**

- 12.1.** The Company's branch is a structural division of the Company, having its own registered office and carrying out all or part of the Company's functions. Branch is not a legal entity. The Company shall be liable according to the branch's liabilities and the branch shall be liable according to the Company's liabilities. Assets of the Company's branch shall be accounted in the Company's balance-sheet and in a separate balance-sheet of the branch.
- 12.2.** Representative office is a division of the Company, having its own registered office and the right to represent the Company's interests and defend them, to conclude transactions, to perform other actions on behalf of the Company under procedure, laid down by the legislation and the regulations of the representative office. Representative office is not a legal entity. The Company shall be liable according to the representative office's liabilities and the representative office shall be liable according to the Company's liabilities.
- 12.3.** The board of the Company shall settle the issues of establishment of the Company's branches and representative offices and termination of their activity and approve their regulations according to the present Articles of Association and the legislation of the Republic of Lithuania.
- 12.4.** Heads of the Company's branches and representative offices shall be elected and recalled under the decision of the board of the Company.

## **13. PROCEDURE FOR AMENDMENT OF THE ARTICLES OF ASSOCIATION**

- 13.1.** The Articles of Association may be amended under decision of the general meeting of shareholders, taken by the qualified majority of 2/3 of votes, except for the exceptions, laid down in the Law on Companies of the Republic of Lithuania.
- 13.2.** Upon adopting the decision by the general meeting of shareholders to amend the Articles of Association, the entire text of the amended Articles of Association shall be written and undersigned by the person authorized by the general meeting of shareholders.
- 13.3.** The amended Articles of Association shall be submitted to the manager of the register of legal entities together with other documents under the terms and procedure laid down by the legislation of the Republic of Lithuania.

## **14. FINAL PROVISIONS**

In case the present Articles of Association do not regulate the occurred relationships or the legal regulation set out in the present Articles of Association do not comply with the provisions of the legislation of the Republic of Lithuania, the Company shall follow the Civil Code of the Republic of Lithuania, the Law on Companies of the Republic of Lithuania and other legislation of the Republic of Lithuania.

The Articles of Association have been signed on \_\_\_\_\_ of the year two thousand and fifteen.

President  
Gintautas Pangonis

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