

*Translated from the Lithuanian language*

## **ARTICLES OF ASSOCIATION OF AB ROKISKIO SURIS**

### **Article 1. General provisions**

- 1.1. AB ROKISKIO SURIS (hereinafter referred to as “the Company”) is an enterprise registered in the Republic of Lithuania, and its authorised capital is divided into shares.
- 1.2. Name of the Company is Public Limited Liability Company Rokiškio sūris, and its short form is AB Rokiškio sūris.
- 1.3. The Company is a private juridical body with limited civil liability.
- 1.4. The Company shall carry out its activity in accordance with the laws of the Republic of Lithuania and other regulatory enactments, the Articles of Association and internal documents of the Company. The Articles of Association may be amended exclusively under a resolution of general shareholders’ meeting with approval of 2/3 of participating shareholders with the voting right.
- 1.5. The financial (business) year of the Company is equal to the calendar year.
- 1.6. The Company has been created for unlimited period of time.

### **Article 2. Targets and object of the Company’s activities**

- 2.1. Object of the Company’s activity is the economical commercial activities related with production and sales of milk and other food produce, and it includes the following business activities aside others:
  - 2.1.1 Dairy business and cheese production (EVRK 10.51);
  - 2.1.2 Ice-cream production (EVRK 10.52);
  - 2.1.3 Wholesale trade in dairy products, eggs, edible oil and fat (EVRK 46.33);
  - 2.1.4 Retail trade in other food products, drinks and tobacco in specialised shops (EVRK 47.29);
  - 2.1.5 Retail trade in non-specialised shops in which food, drinks, and tobacco prevail (EVRK 47.11);
  - 2.1.6 Provision with other temporary premises that have not been attributed to any other classification (EVRK 55.90);
  - 2.1.7 Other retail trade in places other than sales outlets (EVRK 47.99);
  - 2.1.8 Retail trade in fuel for vehicles (EVRK 47.30);
  - 2.1.9 Load carriage by roads (EVRK 49.41);
  - 2.1.10 Other medical treatment of people (EVRK 86.90);
  - 2.1.11 Activities of other physicians (physiotherapy etc.) (EVRK 86.22);

- 2.1.12 Technical maintenance and repair of vehicles (EVRK 45.20);
- 2.1.13 Non-specialised wholesale trade in food, drinks, and tobacco (EVRK 46.39);
- 2.1.14 Purchase and sale of owned real estate (EVRK 68.10);
- 2.1.15 Rent of vehicles (EVRK 77.11);
- 2.1.16 Other wholesale trade (EVRK 46.90);
- 2.1.17 Odontology practice (EVRK 86.23);
- 2.1.18 Sale of vehicles (EVRK 45.11);
- 2.1.19 Sale of spare parts and accessories of vehicles (EVRK 45.32);
- 2.1.20 Retail sale of oils and cooling liquid of vehicles (EVRK 47.30);
- 2.1.21 Wholesale of machinery, equipment and necessities used in industry, trade and navigation (EVRK 46.69);
- 2.1.22 Retail sale in kiosks and markets (EVRK 47.81);
- 2.1.23 Canteens (EVRK 56.29);
- 2.1.24 Public catering (EVRK 56.21);
- 2.1.25 Cargo handling (EVRK 52.24);
- 2.1.26 Storage and warehousing (EVRK 52.10);
- 2.1.27 Purchasing and sale of real assets possessed with the ownership right (EVRK 68.10);
- 2.1.28 Lease of real assets possessed with the ownership or other right (EVRK 68.20);
- 2.1.29 Promotion activity (EVRK 73.11);
- 2.1.30 Employment of manpower and provision with personnel (EVRK 78.20);
- 2.1.31 Other, not described elsewhere, financial mediation (EVRK 64.20);
- 2.1.32 Managing of finance market (EVRK 66.11);
- 2.1.33 Auxiliary activity of not described elsewhere financial mediation (EVRK 66.19);
- 2.1.34 Financial consultations (EVRK 66.19);
- 2.1.35 Production of electricity (EVRK 35.11);
- 2.1.36 Water supply and cleaning (EVRK 36.00.10);
- 2.1.37 Other service activity not described elsewhere (EVRK 96.09);
- 2.1.38 Retail sales of non-soft and other drinks (EVRK 47.25);
- 2.1.39 Retail sales of alcohol (EVRK 47.25.10);
- 2.1.40 Retail sales of diesel fuel (EVRK 47.30);
- 2.1.41 Retail sales of petrol (EVRK 46.71.20);
- 2.1.42 Wholesales of diesel fuel (EVRK 46.71.40);
- 2.1.43 Wholesales of oil (EVRK 46.71.50).
- 2.1.44 Testing of food products in accordance with hygiene requirements, including veterinary testing and evaluation as far as related with production of food products (EVRK 71.20.40).

The Company may also carry out other business activities if such activities are permitted under the laws of the Republic of Lithuania. The Company shall apply and receive relevant permissions, authorisations, consents or licences of relevant state bodies, should any such permission, authorisation, licence and consent be required in order to carry out any of the business activities of the Company.

2.2. The Company's target is to carry out profitable business in accordance with the laws of the Republic of Lithuania and these Articles.

2.3. Products and services of the Company may be sold in the Republic of Lithuania and abroad.

2.4. The Company shall conduct its business in accordance with the Strategic Plan (with respect to both content and timing) as approved by the Board of Directors.

2.5. The Company shall maintain its bookkeeping accounts in compliance with general bookkeeping principles approved within Lithuania as well as international accounting standards (“IAS”).

### **Article 3. Authorised Capital and Shares. Shareholder rights**

3.1. Authorised Capital of the Company is equal to EUR 10,401,711.30 (ten million four hundred one thousand seven hundred eleven euros 30 cents) divided into 35,867,970 (thirty-five million eight hundred sixty seven thousand nine hundred seventy) ordinary registered shares at a par value of EUR 0.29 per share (twenty nine hundredth of a euro)

3.2. The authorised capital may be increased or decreased by a resolution of the General Meeting adopted by a  $\frac{2}{3}$  majority vote of those shareholders present at the General Meeting. The decision on increase and decrease of the Company’s Authorised Capital becomes effective only upon state registration of such increase or decrease in the Register of Enterprises of the Republic of Lithuania.

3.3. Each ordinary registered share gives one vote to its holder at the General Meeting of Shareholders.

3.4. The shareholders shall have the following non-property rights:

(a) to attend general meetings of shareholders and vote;

(b) to submit inquiries to the Company beforehand in relation with agenda of general meeting of shareholders;

(c) to receive information on the business activities of the Company;

(d) to appeal the Court with demand to reimburse damage occurred due to failure to meet obligations of the Company’s executive manager and Board of Directors as stated by the Law on Companies of the Republic of Lithuania (hereinafter – Law on Companies), other laws, the Articles of Association as well as in any other legal cases;

(e) to receive the information referred to in Article 89 (6) of the Law on Markets in Financial Instruments about the company;

(f) other non-property rights as it is foreseen by the laws of the Republic of Lithuania.

3.5. The shareholders shall have the following property rights:

- (a) to receive a certain portion of the Company's profit (dividend);
- (b) to receive resources when the Company's authorized capital is decreased in order to make payouts of the Company's resources to shareholders;
- (c) to receive a portion of assets of the Company in liquidation;
- (d) to receive shares for free if the authorised capital is increased by the funds of the Company;
- (e) to have a priority right to acquire any newly issued shares of the Company unless the General Meeting of Shareholders resolves to revoke priority right of all shareholders in accordance with the Law on Companies;
- (f) to lend to the Company in accordance with the laws of the Republic of Lithuania;
- (g) to bequeath all or part of the shares to one or several persons;
- (h) to sell or transfer in any other way all or part of shares to any third party;
- (i) to have any other property rights as foreseen by the laws of the Republic of Lithuania.

3.6. All holders of ordinary registered shares have equal rights and obligations. Shareholders do not have any property liabilities to the Company, except the obligation to pay for the shares subscribed for the emission price according to the respective procedure.

3.7. Shares of the Company are dematerialised, i.e. they are evidenced by entries in securities accounts. Personal accounts of securities are handled in accordance with the legal documents applied to the securities market. Keepers of the personal securities accounts at the request of shareholder have to issue an extract from the securities accounts indicating the number of shares and another information on the shares inscribed into the account as it is foreseen by the legal documents.

3.8. The General Meeting of the Shareholders may resolve to convert the Company's shares of one type into the different type of Company's shares.

#### **Article 4. Management bodies**

4.1. The managing bodies of the Company shall consist of:

- (a) the General Meeting of Shareholders;
- (b) the Board of Directors; and
- (c) the Chief Executive Officer (the Director).

The company does not have a Supervisory Board.

4.2. Management bodies of the Company shall act for the benefit of the Company and its shareholders, they will pursue laws and legal acts of the Republic of Lithuania as well as the Articles of Association.

### **Article 5. General Meeting of Shareholders**

5.1. Competency of General Meeting of Shareholders, as well as procedure of its summoning and circulation of information and documents agree with the competency of General Meeting of Shareholders, as well as procedure of its summoning and circulation of information and documents described by the Law on Companies.

5.2. Persons who were shareholders of the Company at the end of the accounting day of the General Meeting of Shareholders have the right to participate and vote in the General Meeting of Shareholders or repeated General Meeting of Shareholders in person, or their authorized persons, or persons with whom the right to vote is concluded, except as provided by law. The accounting day of the General Meeting of the Company is the fifth business day before the General Meeting of Shareholders or the fifth business day before the repeated General Meeting of Shareholders.

5.3. The following persons also have the right to participate and speak at the General Meeting of Shareholders: the members of the Board, the head of the company, the inspector of the General Meeting of Shareholders, the auditor who prepared the auditor's report and the audit report.

5.4. The General Meeting of Shareholders elects the inspector of the General Meeting for the forthcoming General Meeting of Shareholders.

5.5. General meeting of shareholders must not adopt resolutions for the items not included in the agenda unless all shareholders with voting right are participating and there are no shareholders voted in written. General meeting of shareholders may adopt resolutions and it is considered effective if the meeting is participated by the shareholders whose shares provide over ½ of all votes. Once the quorum is stated, it is considered that it exists during all meeting. If the meeting does not have the quorum, general meeting of shareholders is considered as not intervened, and general meeting of shareholders shall be summoned repeatedly. The meeting has a right to adopt resolutions according to the agenda of not intervened meeting for which the requirement of quorum is not applied.

5.6. General meeting of shareholders has an exclusive right to solve the following issues:

- (a) to amend the articles of association;
- (b) change the registered office of the company;
- (c) elect the members of the Management Board;

- (d) remove the Board or its members;
- (e) appoint and remove the statutory auditor or audit firm to audit the set of annual financial statements and determine the terms of payment for the audit services;
- (f) decide on the approval of the company's remuneration policy;
- (g) determine the class, number, nominal value and minimum issue price of the shares issued by the company;
- (h) to make a decision to convert the company's shares of one class into another, to approve the description of the procedure for conversion of shares;
- (i) decide to change the number of shares of the same class issued by the company and the nominal value of the share without changing the amount of the authorized capital;
- (j) approve the set of annual financial statements;
- (k) decide on the distribution of profit (loss),
- (l) decide on the establishment, use, reduction and destruction of reserves;
- (m) approve a set of interim financial statements for the purpose of deciding on the allocation of dividends for a period shorter than the financial year;
- (n) decide on the allocation of dividends for a period shorter than the financial year;
- (o) decide to issue convertible bonds;
- (p) decide to revoke the pre-emptive right of all shareholders to acquire shares or convertible bonds in a particular issuer;
- (q) decide to increase the authorized capital;
- (r) to make a decision to reduce the authorized capital, except for the exceptions established by the Law on Companies of the Republic of Lithuania;
- (s) decide to repurchase the company's own shares;
- (t) decide on the approval of the rules for the grant of shares to employees and / or members of the bodies;
- (u) to make a decision on the reorganization or separation of the company and to approve the conditions of the reorganization or

separation, except for the exceptions established by the joint stock companies of the Republic of Lithuania;

- (v) decide to reform the company;
- (w) decide on the restructuring of the company;
- (x) to make a decision to liquidate the company, to cancel the liquidation of the company, except for the exceptions established in the Law on Companies of the Republic of Lithuania;
- (y) to elect and recall the liquidator of the company, except for the exceptions provided for in the Law on Companies of the Republic of Lithuania;
- (z) to resolve other issues assigned to the competence of the General Meeting of Shareholders by the laws of the Republic of Lithuania and these Articles of Association, if according to legal acts it is not within the competence of other bodies of the company and if it is not a function of management bodies.

5.7. Decisions of the General Meeting of Shareholders shall be deemed adopted if they are supported by more votes than voted against, except for paragraphs (a), (f), (g), (h), (i), (k), (l), (n), (o), (q), (r), (t), (u), (v), (w), (x) of Article 5.6., which require at least 2/3 of the votes attached to the shares of the shareholders present at the meeting, and item (p), the adoption of which requires at least 3/4 of the votes attached to the shares of all shareholders present at the meeting.

5.8. General meeting of shareholders shall be minuted. The Minutes may not be documented when the adopted resolutions are signed by all shareholders of the Company or the Company's has only one shareholder.

5.9. Every general meeting of shareholders elects its Chairman and Secretary. Not later than within 7 (seven) days after the meeting's day The Minutes of general shareholders' meeting shall be signed by the Chairman of the Meeting, and Secretary, also it may be signed by persons authorised by the meeting. If all participated shareholders vote in written, the Minutes are documented and signed by the Company's manager pursuing the votes received. The shareholders participated at the meeting have the right to read the Minutes and within 3 (three) days from the moment but not more than within 10 (ten) days after the day of general meeting of shareholders, to submit written remarks or opinion regarding the facts stated in the Minutes or its form. General meeting of shareholders do not elect a secretary of the meeting if it is participated by less than 3 (three) shareholders. In this case the list of shareholders' registration and the minutes shall be signed by the chairman of the meeting. Chairman and secretary are not elected when all participants have voted in written.

5.10. General meeting of shareholders do not have the right to authorise other governing bodies of the Company to resolve the issues assigned to its competence.

## **Article 6. The Board of Directors**

6.1. The Board of Directors is a collegial management body consisting of 6 (six) members. The Board of Directors shall be elected and recalled by General Meeting according to the procedure prescribed by the Law on Companies.

6.2. The Board of Directors elects a Chairman from its members.

6.3. Members of the Board of Directors shall be elected for a period of 4 (four) years. Number of cadences is not limited.

6.4. The Board of Directors shall execute its activities during the period of their cadence or until another Board of Directors is elected and proceeds working, but not longer than the date of general meeting of shareholders of the year when the cadence ends.

6.5. The formation of the Board of Directors and its competence is equal to the formation of the Board of Directors and its competence stated by Articles 33 and 34 of the Law on Companies of the Republic of Lithuania, except for the following provisions:

6.5.1. The Board of Directors shall make the following endorsements:

(a) decisions regarding investing, transferring, renting the non-current assets whose balance value exceeds 1/5 of the Company's Authorized Capital (calculated individually for every type of transaction);

(b) decisions regarding mortgage and hypothec of the non-current assets whose balance value exceeds 1/5 of the Company's Authorized Capital (calculated as total sum of transactions);

(c) decisions regarding warrant and guarantee of liabilities of other parties when a sum of such liabilities exceeds 1/5 of the Company's Authorized Capital;

(d) decisions to acquire non-current assets whose value exceeds 1/5 of the Company's Authorized Capital.

6.6. Every member of the Board of Directors has a right to summon Board meeting.

6.7. Members of the Board shall have equal voting rights. Every member has one vote. When the votes "for" and "against" are equal, the vote of Board Chairman prevails. A member of the Board may inform on his/her volition in a prior written note when a "for" or "against" decision is required for a project to which he/she has been introduced in advance. A member of the Board of Directors shall have no right to vote when the meeting is considering the issues concerning his/her liability or his/her personal activity in the Company.

6.8. The Board of Directors may adopt resolutions and the meeting is considered effective when it is participated by 2/3 or more of the Board members. The Board

members having voted in advanced are considered to be participated. A resolution is adopted when the votes “for” exceed the votes “against”.

6.9. Meetings of the Board shall be held at least once every three months. At least 5 (five) days in advance all members of the Board of Directors shall receive a written notice on the summoned Board meeting and its agenda stating the items to be considered. The detailed procedure for conducting Board of Directors meetings and adoption of the decisions at such meetings shall be contained in Work Regulations.

6.10. The Board of Directors have to invite the company’s manager to every meeting, if he/she is not a member of the Board, also it should be ensured that the company’s manager has all available information on the items of meeting’s agenda. The company’s chief finance manager has a right to participate at the Board meetings.

6.11. Performance of members of the Board of Directors may be paid by tantiemes as stated by the Law on Companies.

#### **Article 7. Head of Administration (Chief Executive Officer)**

7.1. Chief Executive officer is one-man governing body of the Company who organise the routine business activities of the Company, hires and fires the company's employees, concludes and terminates employment contracts with them, promotes and imposes penalties, considers and solves issues related with the Company’s long term strategy and business plan. Interacting with other bodies chief executive officer acts on behalf of the Company.

7.2. Chief Executive Officer is elected and recalled by the Board of Directors who also establish his/ her salary, approves his/ her Job Description, promotes and penalise. Board Chairman or other authorised Board member signs the employment contract with Chief Executive Officer.

7.3. In his/her activities Chief Executive Officer shall be guided by the laws of the Republic of Lithuania, other legal acts, the Articles of Association, resolutions of the General Meeting of Shareholders, decisions of the Board, and the job description.

7.4. Competence of chief executive office is the same as it is described by the Law on Companies.

#### **Article 8. Procedure for the establishment of branches and representative offices of the Company and termination of their activities**

8.1. Decisions on the establishment of the company's branches and representative offices, termination of their activities and approval of the regulations shall be made by the Board of the Company.

8.2. Managers of the company's branches and representative offices are appointed and removed by the Board of the Company.

### **Article 9. Procedure regarding documents and other information submission to shareholders**

9.1. Upon a written request of a shareholder, the Company not later than within 7 (seven) days from the date of receipt of written request concerned, is to create conditions for the appropriate shareholder to inspect and (or) to get copies of the following documents: the Company's Articles of Association, sets of annual and interim financial accounts, the company's annual and interim reports, auditor's conclusions and reports, the Minutes of general meetings of shareholders or other documents the Meeting resolutions have been documented upon, listing of shareholders, lists of Board members and other Company's documents that can be disclosed upon laws

9.2. The Company may refuse to make available to the shareholder and / or provide copies of documents related to the Company's commercial (industrial) secret, confidential information, unless the Company's information is necessary for the shareholder to fulfill the mandatory requirements provided for in other legal acts and the shareholder ensures confidentiality of such information. The company must provide the shareholder with access to other information of the company and / or provide copies of documents, if such information and documents, including information and documents related to the company's commercial (industrial) secret and confidential information, are necessary for the shareholder to comply with other legal acts; the shareholder shall ensure the confidentiality of such information and documents

9.3. The Company's documents, their copies or any other information shall be provided to shareholders at cost which shall not exceed the expenses of preparation of such documents or information.

### **Article 10. Procedure of announcement of the Company's notifications**

10.1. The Company's notices on the convening of the General Meeting of Shareholders, as well as periodic and current information, as well as information on material events is circulated as regulated by the Law on Companies of the Republic of Lithuania, and the Law on Securities of the Republic of Lithuania.

10.2. Other announcements of the company that must be made public (including announcements about the reorganization of the company and reduction of the authorized capital) are published in the electronic publication "Public Announcements of Legal Entities" issued by the Registrar of Legal Entities or sent by registered letter upon signature to each shareholder or other person who needs to be notified, unless otherwise provided by the Law on Companies of the Republic of Lithuania or other legal acts or these Articles of Association. The Company's head manager takes responsibility for the timely announcement of the Company's information and its circulation.

**Article 11. Procedure of amendments to be made to the Articles of Association**

11.1. The Company's Articles of Association may be amended upon the initiative of the Board of Directors or the shareholders whose shares provide not less than 1/20 of the total votes. Resolution to make changes to the Articles of Association shall be accepted by the General Meeting of Shareholders when it is approved by 2/3 of the participating votes. If the General Meeting of Shareholders decides to make amendments to the Articles of Association, the full text of new reading is prepared and signed by the authorised person by the General Meeting of Shareholders.

Person authorised by the  
General Meeting of Shareholders

Dalius Trumpa

Date of signing: