

AB VILKYŠKIŲ PIENINĖ

ARTICLES OF ASSOCIATION

I. GENERAL PROVISIONS

1. The open limited liability Company VILKYŠKIŲ PIENINĖ (hereinafter referred to as the Company) is a company whose authorised capital is divided into parts called shares. In its activities the Company shall follow the legal acts of the Republic of Lithuania, government resolutions and the acts regulating the activities of companies, and the present Articles of Association.
2. The Company shall be a private legal person with limited civil liability. The Company's assets shall be separated from the shareholders' assets. It shall be liable for its obligations only to the extent of its assets. The shareholders shall be liable for the obligations of the Company only by the amounts which they must pay (or make a property contribution) for their subscribed shares.
3. The Company has been established to carry out economic activities not prohibited by the laws of the Republic of Lithuania and has economic, commercial, financial, organisational, and legal autonomy. The Company has its own stamp and bank account.
4. Company name: AB VILKYŠKIŲ PIENINĖ.
5. Legal form of the Company shall be an open limited liability company.
6. The Company's financial year shall be the calendar year.
7. The Company has been established for the period of unlimited duration.

II. COMPANY'S CHARACTER AND AIMS OF ECONOMIC OPERATION

8. Goals of the Company shall be: Effective use of the assets transferred to the Company by the shareholders to achieve profit from the activities carried out by the Company.
9. The object of economic activity is production, construction, trade, services, agricultural activities, and other economic activities not prohibited by the laws of the Republic of Lithuania.
10. Any activity to be carried out under the license or within the order established by the laws of the Republic of Lithuania shall be operated by the Company upon issue of the appropriate licenses or permissions.

III. RIGHTS AND OBLIGATIONS OF THE COMPANY

11. The Company may enter into contracts and undertake obligations.
12. The Company shall be entitled to lend and borrow money. The amount of funds lent by the Company to natural and legal persons may not exceed its equity capital.
13. The Company shall be entitled to borrow money from its shareholders, both legal and natural entities, in ways prescribed by law of the Republic of Lithuania. When borrowing from its shareholders, the Company may not offer its assets to the shareholders as collateral. When the Company borrows from shareholders under a loan agreement, the annual rate of interest may not be higher than the last quarter's weighted average rate of annual interest on commercial banks located in the business or residence location of the borrower at the time of agreement.
14. The Company has the right to acquire its own shares in accordance with the procedure established by the Law on Companies of the Republic of Lithuania.

15. The Company is authorised to issue bonds (ordinary and convertible). The debenture holder shall have the same rights as other creditors of the Company. Debentures shall be book-entry and shall be represented by entries in personal securities accounts of their holders.

16. The Company shall be entitled to establish branches and representative offices within the territory of the Republic of Lithuania and in foreign countries.

17. The Company may also have other civil rights and duties provided they are not in contradiction to the legislation of the Republic of Lithuania.

IV. AMOUNT OF AUTHORIZED CAPITAL OF THE COMPANY AND ITS STRUCTURE ACCORDING TO THE SHARE CLASSES. NOMINAL VALUE OF THE SHARES AND PAYMENT PROCEDURE

18. Amount of the Company's share capital is 3,463,470 EUR (three million four hundred sixty-three thousand four hundred seventy) euro.

19. Share Capital of the Company is divided into 11,943,000 (eleven million nine hundred forty-three thousand) of ordinary nominal shares. Nominal value of one share is 0.29 (twenty-nine hundredths) euro.

20. Shares shall be subscribed for when the Company and a natural or legal person conclude a written share subscription agreement. The procedure for subscription, pricing and payment of the Company's shares issued while increasing the authorised capital and distributed through the technical measures of the multilateral trading facility, organised trading facility and/or settlement system operator of the regulated market shall be determined in accordance with the Law on Securities.

21. The shares issued by the Company must be fully paid up within the period specified in the share subscription agreement, but not later than within 12 months after the signing the agreement.

22. The initial contribution in cash of each subscriber for shares must be at least 1/4 of the aggregate amount of the nominal value of all the shares subscribed for and the share premium thereof. The remaining amount for the subscribed shares may be paid both in cash and by contributions other than in cash.

23. The Company may have ownership capital and loan capital. If the share capital of the Company has fallen below 1/2 of the authorised capital, the Board of Directors of the Company shall convene a General Meeting of Shareholders in accordance with the procedure provided for by the Law on Companies, which shall consider issues relating to decisions on the reduction of the authorised capital, restructuring or liquidation of the Company. The shareholders may also decide to cover this difference by additional contributions.

24. If, when increasing the authorised capital of the Company, the shares are fully or partially paid up by a contribution other than in cash, the resolution of the General Meeting of Shareholders on the increase of the authorised capital must state the assets to be paid up, the person transferring them, the value of such contribution, the nominal value of the shares to be paid up by a contribution other than in cash and the issue price.

25. A contribution made otherwise than in cash must be valued by the assets valuer according to the procedure prescribed by the laws and other legal acts of the Republic of Lithuania regulating assets valuation prior to the General Meeting of Shareholders at which an increase in the authorised capital is planned by issuing shares for the above contribution. Requirements for assets value report are set forth in the item 8 of art. 8 of the Law on Companies.

26. The sum of the nominal values of the shares which are paid up for by a contribution other than in cash may not exceed the value of a contribution other than in cash indicated in the asset valuation report. If the entire share subscription price is paid up by contributions other than in cash in the case of increase of the authorised capital, the entire contribution other than in cash must be transferred to the Company within the time limit set for payment of initial contributions.

27. If the subscriber fails to pay for the shares within the time specified in the share subscription agreement, it shall be deemed that the Company itself acquired the shares and that the share subscription agreement entered with that person is void; the contributions for the shares subscribed for shall be forfeit. The Company must, within 12 months after the expiry of the period laid down for the payment for shares, divest of the shares to other persons or reduce the authorised capital by cancelling the shares.

V. RIGHTS CARRIED BY SHARES

28. Each ordinary nominal share shall carry 1 (one) vote for its holder at the General Meeting of Shareholders. The right to vote at the General Meeting of Shareholders convened prior to the expiry of time limit for the payment for the first issue of shares, shall be carried only by fully paid shares.

29. The Company's shares shall be uncertificated. The holder of an uncertificated share shall be a person in whose name a personal securities account has been opened, save for the exceptions laid down by laws.

30. Personal securities accounts of shareholders shall be managed according to the procedure laid down in the legal acts regulating the securities market.

31. If the General Meeting of Shareholders takes a decision to cover the losses of the Company from additional contributions made by the shareholders, the shareholders who voted "for" shall be obligated to pay the contributions. The shareholders who did not attend the General Meeting of Shareholders or voted against shall have the right to refrain from paying additional contributions.

32. A person who has acquired all the shares of the Company or who has acquired part of the shares of the Company from the owner of all the shares of the Company shall notify the Company in writing of the acquisition of shares no later than within 5 working days from the date of acquisition of the shares. The notification must state the number of shares acquired, including the number of shares per class if different classes of shares are acquired, their nominal value and the details of the person who transferred and acquired the shares, identical to the details specified in Section 7 (2¹) of the Law on Companies.

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

33.1 to attend and vote at the General Meeting of Shareholders;

33.2 to receive information about the Company in accordance with Article 18 (1) of the Law on Companies;

33.3 to apply to the court for compensation for damage caused to the Company by the failure to perform or improper performance of their duties by the Head of the Company or members of the Board of the Company, as well as in other cases provided by law.

33.4 Other non-property rights provided by the Law on Companies, other laws, or the Articles of Association of the Company.

34. The shareholders shall have the following property rights:

34.1 to receive part of the Company's profit (dividend);

34.2 to receive part of assets of the Company in liquidation;

34.3 To receive shares without payment if the authorized capital is increased out of the Company funds, except for the cases provided for by the Law on Companies;

34.4 To have the pre-emption right in acquiring the Company's issued shares or convertible debentures, except in cases when the General Meeting of Shareholders decides to withdraw this right for all the shareholders pursuing the order stipulated in the Law on Companies;

34.5 To transfer all or part of the shares to the ownership of other persons in accordance with the procedure established by the Law on Companies;

34.6 Other property rights provided for by laws.

35. The property and non-property rights of the shareholders may not be restricted, except in the cases provided by law.

VI. BODIES OF THE COMPANY

36. The Company's bodies are the General Meeting of Shareholders, the Supervisory Board, the Board, and the Head of the Company.

37. The management bodies of the Company shall act only for the benefit of the Company and its shareholders. They shall follow the laws other legal instruments and Articles of Association of the Company.

38. The Head of the Company shall solely act in the Company's relationships with other persons on behalf of the Company.

39. If the General Meeting of Shareholders adopts amendments to the Articles of Association of the Company relating to a new management body, the newly elected members of this body may commence their activities not earlier than from the date of registration of the amendments to the Articles of Association in the Register of Legal Entities.

40. Every candidate for the office of the manager of the Company, to the position of the Board or Supervisory Board member must inform the electing body where and what position he holds, how his other activities are connected to the Company and to other legal persons related to the Company.

VII. POWERS OF THE GENERAL MEETING OF SHAREHOLDERS, PROCEDURE FOR CONVENING

41. The General Meeting of Shareholders is the supreme management body of the Company. The General Meeting of Shareholders shall not be free to assign the issues within its competence to any other bodies of the Company.

42. The right to attend and vote at the General Meeting of Shareholders or the repeat General Meeting of Shareholders shall be vested in the persons who were shareholders of the Company on the day of the balance sheet date of the General Meeting of Shareholders, except for the exceptions provided for by law, or in the persons authorised by them, or in the persons with whom an agreement on the transfer of the right to vote has been concluded. The shareholder's right to attend the General Meeting of Shareholders shall also cover the right to speak and to enquire. The record date of the meeting of the Company is the fifth working day before the General Meeting of Shareholders or the fifth working day before the repeat General Meeting of Shareholders. The members of the Supervisory Board, the members of the Board and the Head of the Company, as well as the auditor who has prepared the audit report, may attend and speak at the General Meeting of Shareholders.

43. Only the General Meeting of Shareholders may:

43.1 To amend the articles of association of the Company, except for the cases provided for by the Law on Companies;

43.2 To elect and revoke members of the Supervisory board of the Company;

43.3 To approve or dismiss the firm of auditors and fix the conditions of payment for auditing services;

43.4 To determine the type, class, number, nominal value, and set the minimum issue price of the shares issued by the Company;

43.5 approve the set of annual financial statements;

43.6 To make the decision to increase the authorised capital of the Company;

43.7 To take the decision on profit/loss allocation;

43.8 To decide on the withdrawal of the pre-emptive right of all shareholders to acquire a specific issue of shares or convertible bonds issued by the Company for a particular issue of shares or convertible bonds;

43.9 To pass the decision of reducing the authorized capital, except for the cases provided for by the Law on Companies;

43.10 To adopt a resolution to exchange the Company's shares of one type or class for those of another type or class, approve the procedure of the exchange of shares;

43.11 To make a decision on transformation of the Company;

43.12 To make a decision on restructuring of the Company;

43.13 Make a decision on the reorganisation or split-off of the Company and approve the terms of reorganisation or split-off;

43.14 To adopt a resolution to liquidate the Company or to cancel the Company's liquidation except for the cases provided for by the Law on Companies.

43.15 To elect or dismiss Company's liquidator with the exceptions provided for by the Law on Companies;

43.16 To make the decision for the Company to purchase own shares;

43.17 To pass the decision on the formation, usage, decrease or annulment of reserves;

43.18 To make the decision on the issue of convertible debentures.

43.19 To decide on the approval of the Company's remuneration policy;

43.20. The General Meeting of Shareholders may also resolve on other matters which fall within its competence according to the Law on Companies or the Articles of Association of the Company, provided that such matters do not fall within the competence of other bodies of the Company according to the Law on Companies and are not essentially functions of the management bodies.

44. A 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 a quorum is not present, a repeat Meeting must be convened which shall be authorised to adopt resolutions on the issues on the agenda irrespective of the number of shareholders attending the Meeting.

45. The shareholder having the voting right and after acknowledgment with the agenda and with the draft resolutions, can state his will in writing to the General Meeting of Shareholders "for" or "against" individually for every item of resolution. Such communications shall be included in the quorum of the meeting and the results of voting.

46. Resolutions of the General Meeting of Shareholders requiring $\frac{2}{3}$ of votes shall be adopted provided it received a simple majority vote of those present, with the exceptions of the following cases:

46.1 amend the Articles of Association of the Company, except for the cases provided for by the Law on Companies;

46.2 to increase the authorised capital;

46.3 To determine the type, class, number, nominal value, and set the minimum issue price of the shares issued by the Company;

46.4 reduce the authorized capital, except for the cases provided for by the Law on Companies;

46.5 To exchange the Company's shares from one type or class for those of another type or class, approve the procedure of exchange of shares;

46.6 the restructuring or reorganisation of the Company;

46.7 To liquidate the Company or to cancel the Company's liquidation except for the cases provided for by the Law on Companies;

46.8 To reorganise or divide the Company and approve the draft plan of reorganisation or division;

46.9 on the allocation of the profit (loss);

46.10 to build up, use, reduce and liquidate reserves;

46.11 To issue convertible debentures.

46.12. Other decisions referred to in Article 28 (1) of the Law on Companies.

The qualified majority of votes that shall be not less than $\frac{3}{4}$ holders of shares which carry the right of votes, attending the General Meeting of Shareholders, is entitled to pass the resolution to withdraw for all the shareholders the right of first refusal to acquire shares of a particular issue issued by the Company or convertible bonds of a particular issue issued by the Company.

47. The Board of the Company must convene the annual General Meeting of Shareholders each year within 4 months of the end of the financial year.

48. An Extraordinary General Meeting of Shareholders shall be convened if:

48.1 The Company's equity capital falls below $\frac{1}{2}$ of the authorised capital specified in the Articles of Association and the issue has not been discussed at the Annual General Meeting of Shareholders;

48.2 the firm of auditors terminates the contract with the Company or is for any other reasons unable to audit the Company's annual statements;

48.3 the number of Supervisory Board members is reduced up to less than $\frac{2}{3}$ of the number specified in the Articles of Association, or this number becomes lower than the minimum number provided for in the Law on Companies of the Republic of Lithuania;

48.4 It is required by the shareholders having the right of initiation, or by the Supervisory Board, or by the Board;

48.5. The Company becomes insolvent or is known to be insolvent within the meaning of the Law on Insolvency of Legal Entities;

48.6 it is required according to the Law on Companies of the Republic of Lithuania, other laws or the Company's Articles of Association.

49. A notice convening the General Meeting of Shareholders must be published in accordance with the procedure laid down in the Law on Companies and Securities and by publication in an electronic publication of public notices issued by the Registrar of Legal Entities. The notice must state the name, registered office, code of the Company, date, time and place of the meeting, the date of the balance sheet of the Company, the agenda of the meeting, the body or institution of the Company which has taken the decision to convene the General Meeting of Shareholders and the initiators of the convening of the General Meeting of Shareholders, as well as other information required by the Law on Companies. Where the passing of the resolution on the reduction of the authorised capital is on the agenda of the meeting – the purpose and intended method of the reduction of the capital.

50. The shareholders (their proxies) taking part in the General Meeting of Shareholders of the Company shall be registered by signing in the shareholder registration list by specifying the number of votes granted to every shareholder by his hold shares. The list shall be signed by the Chairman and the Secretary of the General Meeting of Shareholders. If the secretary is not elected, the list shall be signed by the chairman of the meeting. No secretary may be elected if less than three shareholders are present at the meeting. The chairman and the secretary of the meeting shall not be elected if all the shareholders attending the Meeting voted in writing. In this case, the list shall be signed by the head of the Company.

51. The Company shall, in accordance with the procedure laid down in the Law on Companies, make available to the shareholders on the website the information and documents referred to in Article 26² of the Law on Companies.

52. The shareholders who have at least $\frac{1}{10}$ of votes granted by shares, and the Supervisory Board of the Company shall be entitled to convene the General Meeting of Shareholders. In the cases provided for in Article 23(3) of the Law on Companies of the Republic of Lithuania, the General Meeting of Shareholders shall be convened by a decision of the head of the Company.

53. A shareholder may cast a vote in writing by filling in the notice (Article 30 of the Law on Companies of the Republic of Lithuania).

54. The General Meeting of Shareholders must be convened if so ordered by the court if:

54.1 The ordinary General Meeting of Shareholders has not been convened within 4 months of the end of the financial year and at least one shareholder has brought the matter to the court;

54.2 Persons entitled to convene a General Meeting of Shareholders or the Company's bodies have filed a complaint with the court that the Board or the head of the Company has not convened a General Meeting of Shareholders in accordance with the procedure provided for by the Law on Companies;

54.3 the initiators of the General Meeting of Shareholders have applied to the court that the Board or the Head of the Company has failed to convene the General Meeting of Shareholders in the cases provided for in Article 23 of the Law on Companies;

54.4 At least one of the Company creditors applied to the court with a complaint about the failure to convene the extraordinary General Meeting of Shareholders when it was discovered that the Company's equity fell below $\frac{1}{2}$ of the authorised capital as specified in the Articles of Association.

55. Minutes shall be taken of all General Meetings of Shareholders. The minutes of the General Meeting of Shareholders may be not drawn provided the adopted resolutions are signed by all shareholders of the Company, also in cases when there is a sole shareholder in the Company. The minutes of the General Meeting of Shareholders shall be signed by the chairman and the secretary of the meeting within seven days at the latest. Where the secretary of the Meeting is not elected, the minutes shall be signed by the chairman of the Meeting. Where all the shareholders attending the Meeting have voted in writing, the Head of the Company shall draw up and sign the minutes recording the votes cast.

56. The persons attending the General Meeting of Shareholders shall have the right to acquaint themselves with the minutes and to submit their comments thereon within the time limits provided for in paragraph 4 of Article 29 of the Law on Companies.

57. The minutes of the General Meeting of Shareholders shall be accompanied by a list of registered shareholders, powers of attorney and other documents certifying the right of persons to vote; the general ballot papers of the shareholders who voted in advance in writing; documentary proof of voting by means of electronic communications; documentary proof that the shareholders having been notified of the General Meeting of Shareholders; comments on the minutes and conclusion on the comments given by the persons who signed the minutes.

58. The minutes or other documents whereby the decisions of the General Meeting of Shareholders are executed shall constitute official documents. They shall be stored and processed according to the procedure laid down in the Law on Archives. Forgery of these documents shall be punishable under law.

VIII. SUPERVISORY BOARD

59. The Supervisory Board shall be a collegial body supervising the activities of the Company. The Supervisory Board shall be managed by its chairman.

60. The Supervisory Board consists of 3 (three) members – natural persons. The Supervisory Board is elected by the General Meeting of Shareholders for a period of 4 (four) years. The supervisory board elects the chairman of the supervisory board from among its members. The number of the terms of office of a member of the Supervisory Board shall not be limited.

61. At least $\frac{1}{3}$ (one third) of the members of the Supervisory Board shall be independent and more than $\frac{1}{2}$ (one half) of the members of the Supervisory Board shall not be employed by the Company. The criteria of independence of the members of the Supervisory Board shall be the same as those set forth in the Law on Companies of the Republic of Lithuania.

62. Contracts for activities within the supervisory board shall be concluded with the members of the supervisory board, which shall provide for their rights, duties and responsibilities. Members of the Supervisory Board may be remunerated for their activities on the Supervisory Board by a decision of the General Meeting of Shareholders. The General Meeting of Shareholders shall determine the terms and conditions of the agreements with the members of the Supervisory Board on the performance of their duties.

63. A member of the Company's Supervisory Board may not be
 - 63.1. The manager of the Company;
 - 63.2. A member of the Company's Board;
 - 63.3. An auditor or an employee of an auditing company who is or has been involved in the audit of the financial statements of the Company, the performance of which did not exceed the period of two years;
 - 63.4. A member of the management body of the subsidiary;
 - 63.5. A person who may not hold this office under legal acts.
64. The General Meeting of Shareholders may remove from office the entire supervisory board or its individual members before the expiry of the term of office of the supervisory board.
65. A member of the Supervisory Board may resign from office before the expiry of his term of office by giving a written notice thereof to the Company at least 14 days in advance.
66. If a member of the Supervisory Board is removed from office, resigns or discontinues the performance of his duties for other reasons and the shareholders whose shares carry at least 1/10 of all votes object to the election of individual members of the Supervisory Board, the Supervisory Board shall lose its powers, and the entire Supervisory Board shall be subject to election. Where individual members of the supervisory board are elected, they shall be elected only until the expiry of the term of office of the current supervisory board.
67. Members of the Supervisory Board may be paid royalties for their activities in accordance with the procedure set out in Article 59 of the Law on Companies.
68. The Supervisory Board shall:
 - 68.1. consider and approve the Company's business strategy, analyses, and evaluates information on the implementation of the Company's business strategy, provides this information to the ordinary General Meeting of Shareholders.
 - 68.2. elect and dismiss the members of the Board. If the Company is operating at a loss, the Supervisory Board must consider whether the members of the Board are fit to perform their duties;
 - 68.3. decide on transactions with related parties in accordance with Article 37² of the Law on Companies;
 - 68.4. approve a description of the procedure and conditions for the assessment of related party transactions entered into under normal market conditions in the ordinary course of business, as provided for in Article 37²(11) of the Law on Companies;
 - 68.5. supervise the activities of the Board and the manager of the Company;
 - 68.6. submit to the General Meeting of Shareholders feedback and proposals on the draft rules for the allotment of shares;
 - 68.7. submit to the General Meeting of Shareholders feedback and proposals on the financial statements, the draft appropriation of profits and the annual report of the Company, as well as on the activities of the Board and the Head of the Company;
 - 68.8. submit to the General Meeting of Shareholders the comments and proposals on the draft resolution on the distribution of dividends for a period shorter than the financial year and on the set of interim financial statements and the interim report prepared for its approval;
 - 68.9. submits proposals to the board and the manager of the Company to revoke their decisions which are in conflict with laws and other legal acts, the articles of association of the Company or decisions of the General Meeting of Shareholders;
 - 68.10. provide feedback and proposals to the AGM and the Board on the draft remuneration policy and the draft remuneration report;
 - 68.11. decide on other matters of supervision of the activities of the Company and its management bodies that are assigned to the Supervisory Board by the Law on Companies, the Articles of Association of the Company and resolutions of the General Meeting of Shareholders.
69. The Supervisory Board shall not have the right to delegate or transfer to other bodies of the Company the functions assigned to it by the Law on Companies and the Articles of Association of the Company.

70. The Supervisory Board shall have the right to request the Board of the Company and the Head of the Company of the Company to provide documents, data and other information related to the activities of the Company.

71. Members of the Supervisory Board must keep the commercial (industrial) secrets and confidential information of the Company which they obtained while holding the office of members of the Supervisory Board.

72. Decisions of the Supervisory Board:

72.1. The working procedure of the Supervisory Board shall be laid down in the rules of procedure of the Supervisory Board adopted by it.

72.2. The meetings of the Supervisory Board shall be convened by the chairman of the Supervisory Board. The Supervisory Board shall meet at least quarterly. The meetings of the Supervisory Board may also be convened by the decision taken by at least of 1/3 of the Supervisory Board members.

72.3. A member of the Supervisory Board shall have the right to give a simple written proxy to another member of the Supervisory Board of the Company to represent him in voting at the meeting of the Supervisory Board of the Company.

72.4. The members of the Supervisory Board shall have equal rights. During voting, each member shall have one vote. Where equal votes are cast “for” and “against”, the chairman of the Supervisory Board shall have the casting vote.

72.5. A member of the Supervisory Board may express his will “for” or “against” the decision put to vote upon familiarising himself with the draft thereof by taking a written vote or by voting by means of electronic communications, on the condition that the security of the information transmitted is ensured and it is possible to establish the identity of the person who has voted.

72.6. The Supervisory Board may take decisions, and its meeting shall be considered to have been held if attended by more than a half of the members of the Supervisory Board. The members of the Supervisory Board who have voted in advance shall also be considered to have attended the meeting. The resolution of the Supervisory Board shall be adopted if more votes are cast in favour than against. A decision to remove a member of the Board from office may be taken if at least 2/3 of the Supervisory Board members present at the meeting vote for it.

72.7. Minutes must be taken of meetings of the Supervisory Board.

IX. BOARD OF THE COMPANY

73. The Board shall be a collegial management body of the Company. The Board shall consist of six members elected by the Supervisory Board for a term of four years. If individual members of the board are elected, they shall serve only until the expiry of the term of office of the current board.

74. Only a natural person may be elected a member of the Board. The number of terms of office a Board member shall not be limited. The following persons may not be a member of the Board:

74.1. A member of the Supervisory Board of the Company;

74.2. a person who may not hold this office under legal acts;

74.3. an auditor or an employee of an auditing firm who is participating or has participated in the audit of the financial statements of the Company, the performance of which has not exceeded the period of two years with which the contract for the audit of the financial statements of the Company has been concluded.

75. The Board elects the chairman of the Board from among its members.

76. The Supervisory board being remove from office the entire Board in corpore or its individual members before the expiry of their term. A member of the Board may resign from office prior to the expiry of his term of office upon giving a written notice thereof to the Company at least 14 days in advance.

77. Members of the Board may be paid royalties for their activities on the Board in accordance with the procedure set out in Article 59 of the Law on Companies.

78. The Board shall consider and approve:

- 78.1. The structure of the Company's management and positions of its employees;
 - 78.2. posts in which persons are employed only by holding competitions;
 - 78.3. The office rules of the branches and representative offices of the Company.
 - 78.4. The Company's annual report and interim report.
79. The Board shall elect and remove from office the Head of the Company, fix his salary, and set other terms of the employment contract, approve his job description, provide incentives for him and impose penalties.
80. The Board shall determine which information shall be considered to be the Company's commercial (industrial) secret and confidential information. Information that must be publicized, cannot be treated as the commercial (manufacture) secret and confidential information of the Company.
81. The Board shall take the following decisions:
- 81.1 Resolutions on incorporating other legal entities by the Company or becoming their participant;
 - 81.2 decisions on the opening of branches and representative offices of the Company;
 - 81.3. Resolutions on the investment, transfer, or lease of fixed assets the balance value whereof amounts to over 1/20 of the Company's authorised capital (to be calculated separately for every type of transaction).
 - 81.4 Resolutions on guarantee or surety for discharge of obligations of other entities the value whereof amounts to over 1/20 of the Company's authorised capital;
 - 81.5 Decisions on the acquisition of fixed assets the price whereof exceeds 1/20 of the Company's authorised capital;
 - 81.6. The Board decides on the issuance of corporate bonds (with the exception of convertible bonds);
 - 81.7 Resolutions on mortgage or hypothec of long-term property the value whereof amounts to over 1/20 of the Company's authorised capital (total amount of transactions is calculated);
 - 81.8. other decisions specified in the Law on Companies assigned to the competence of the Board by the Company's Articles of Association or resolutions of the General Meeting of Shareholders.
82. Before adopting a decision on investment of funds or other assets in another legal entity, the Board must notify thereof the creditors wherewith the Company failed to settle within the prescribed time limit if the aggregate amount of arrears to these creditors exceeds 1/20 of the authorised capital of the Company.
83. The Board analyses and evaluates:
- 83.1. Material on the organisation of the Company's activities, the financial position of the Company, the results of its economic activities, estimates of income and expenses, inventory and other data on changes in the Company's assets submitted by the Company's Manager;
 - 83.2. The draft business strategy submitted by the Company's Head of the Company and information on the implementation of the Company's business strategy and submits them to the Supervisory Board together with feedback and proposals on them.
84. The Board shall analyse and evaluate the Company's annual financial statements, the draft profit and loss distribution and submit them, together with the feedback and proposals thereon and the Company's annual report, to the Supervisory Board and the General Meeting of Shareholders.
85. The Board shall also analyse, evaluate, and submit to the Supervisory Board and the General Meeting of Shareholders, together with feedback and proposals:
- 85.1. Draft rules for the allotment of shares;
 - 85.2. Draft remuneration policy;
 - 85.3. draft resolution on the distribution of dividends for a period shorter than the financial year and the set of interim financial statements prepared for its approval.
86. The Board shall be responsible for the convening and organisation of the General Meeting of Shareholders in due time.

87. Each member of the Board shall have the right of initiative to convene the Board meeting. During voting, each member shall have one vote. In the event of a tie, the Chairman of the Board shall have the casting vote.

88. The Board may adopt resolutions if its meeting is attended by more than 2/3 of its members. The members of the Board who have voted in advance shall also be deemed to be present at the meeting. Resolutions of the Board shall be adopted by a simple majority vote of those present.

89. A member of the Board shall not be entitled to vote when the meeting of the Board discusses the issue related to his work on the Board or the issue of his responsibility. The Board shall invite the Head of the Company into every meeting of the Board, if he is not a Board member, and enables him to familiarise with agenda information. Minutes must be taken of the meetings of the Board.

X. HEAD OF THE COMPANY

90. The General Manager shall direct the activities of the Company and shall be the sole management body of the Company. The Head of the Company shall be guided in his activities by the law, the Articles of Association of the Company, the resolutions of the General Meeting of Shareholders, the resolutions of the Supervisory Board and the Board and the regulations of the General Manager.

91. The Head of the Company shall be elected and removed from office, his salary, penalties, and promotions shall be defined, his work regulations shall be approved by the Board of the Company. Every candidate to the position of the Head of the Company shall notify the electing body about his current position and its location, about the relation of his activities with the Company and with other legal entities related to the Company.

92. The person authorised by the Board must no later than within 5 working days notify the administrator of the Register of Enterprises in writing of the election or removal from office of the Head of the Company and of termination of his employment contract.

93. The Head of the Company may be a legally competent natural person with whom a contract of employment shall be concluded. The contract shall be signed with the Head of the Company by the chairman of the Board or other member authorised by the Board. A person not entitled under the laws of the Republic of Lithuania to occupy the post may not be appointed the Head of the Company.

94. The Head of the Company shall organise daily activities of the Company, hire and dismiss employees, conclude, and terminate employment contracts therewith, provide incentives and impose penalties.

95. The Head of the Company must keep commercial (industrial) secrets and confidential information of the Company which he learned while holding this office.

96. The Head of the Company shall be responsible for:

- 96.1 Organisation of activities and implementation of purposes of the Company;
- 96.2 Drawing up of the annual statements and drafting the annual report of the Company;
- 96.3. Preparation of the draft remuneration policy and remuneration report;
- 96.4. preparation of draft decision on the allocation of dividends for the period shorter than the financial year, drafting up the annual statements and preparation of interim report for the decision on the allocation of dividends for the period shorter than the financial year;
- 96.5. Preparation of the draft rules for the allotment of shares;
- 96.6 entering into contract with the audit firm or an auditor in cases when the audit is required according to legislation or to the Articles of Association of the Company;
- 96.7 submission of information and documents to the General Meeting of Shareholders, and to the Supervisory Board or the Board at their request or in cases and procedure stipulated in the Law on Companies;
- 96.8. Communication of information and documents to the manager of the Register of Legal Entities;

- 96.9. The publication of information referred to in the Law on Companies;
- 96.10. Communication of information to shareholders;
- 96.11 Fulfilment of other duties laid down in the Law on Companies and other laws and legal acts as well as in the Articles of Association and the staff regulations of the manager of the Company.
97. The Head of the Company shall act on behalf of the Company and shall be entitled to solely enter transactions. The Head of the Company may conclude the transactions referred to in Article 34(4)(3), (4), (5) and (6) of these Articles of Association, provided there is a decision of the Board of the Company to enter these transactions.
98. Before entering a transaction with a related party on behalf of the Company, the Head of the Company must obtain the approval of the Supervisory Board.

XI. ESTABLISHMENT OF BRANCHES AND REPRESENTATIVE OFFICES, TERMINATION OF THEIR ACTIVITIES

99. Decisions on the establishment and termination of the activities of branches and representative offices of the Company, the appointment and dismissal of their managers, their promotion and the imposition of sanctions shall be made by the Board of the Company. The Board shall approve the regulations of the Company's branches and representative offices.

XII. ORDER OF COMMUNICATING THE COMPANY'S NOTICES

100. Notices of General Meeting of Shareholders and other important events of the Company shall be published in accordance with the procedure laid down in the Law on Companies and Securities and in the electronic publication of public notices published by the Keeper of the Register of Legal Entities.
101. Notices to be sent to shareholders and other persons shall be sent in accordance with the procedure established by the Law on Companies, the Articles of Association of the Company, and other legal acts. The Head of the Company or liquidator of the Company shall be responsible for the timely dispatch of notices.
102. Every creditor of the Company must be notified against acknowledgement of receipt or by registered mail of the decision to reduce the authorised capital of the Company. In addition, a resolution to reduce the authorised capital must be published in accordance with the procedure laid down in the Law on Companies and Securities and in an electronic publication for public announcements published by the Registrar of Legal Entities or notified to each shareholder of the Company against his signature or by registered letter.
103. All other public announcements of the Company to be published in accordance with the Law on Companies and other laws shall be published in accordance with the procedure and within the time limits established by the Law on Companies and Securities and other laws and by publication in an electronic publication for public announcements published by the administrator of the register of legal entities.
104. In the documents of the Company used in relations with other entities, the information listed in Article 2.44 of the Civil Code of the Republic of Lithuania shall be specified.

XIII. PROCEDURE FOR COMMUNICATING DOCUMENTS AND OTHER INFORMATION OF THE COMPANY TO THE SHAREHOLDERS

105. Upon a shareholder's written request, the Company shall provide the shareholder with access to and/or copies of the documents specified in the Law of the Republic of Lithuania on Companies, which are required by law to be made available to the public, no later than within 7 days from the

date of receipt of the request. The Company may refuse to provide the shareholder with access to and/or copies of documents relating to the Company's commercial (industrial) secrets, confidential information, except in cases where the Company's information is necessary for the shareholder to comply with the imperative requirements provided for in other legal acts and the shareholder ensures confidentiality of such information. The Company must provide access to the shareholder to other information of the Company and/or to submit copies of documents if such information and documents, including information and documents related to the Company's commercial (trade) secret and confidential information, are necessary for the shareholder in complying with legal requirements and the shareholder ensures the confidentiality of such information and documents. The Company shall refuse to provide a shareholder with copies of documents if the identity of the shareholder requesting the documents cannot be verified. 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 information shall be settled in court.

106. The fee for the submission of documents and information may be charged by the Head of the Company. The charge shall not exceed the costs of submitting the documents and other information.

107. The Company's accounting document, which is provided to the Company's shareholders, must contain the data held by the Company for each shareholder, identical to the data specified in Article 7 (2¹) of the Law on Companies, and the number of shares owned by the shareholder.

XIV. REORGANIZATION, SPLIT-OFF, TRANSFORMATION AND LIQUIDATION OF THE COMPANY

108. The Company may be reorganised, demerged, restructured, or liquidated by a resolution of the General Meeting of Shareholders.

109. The Company may be transformed into a private limited liability Company, or another legal entity of the legal forms listed in Article 72 (1) (2) to (10) of the Law on Companies.

110. The Company shall be reorganised, split, restructured, or liquidated in accordance with the procedure provided by the Civil Code of the Republic of Lithuania and the Law on Companies.

XV. FINAL PROVISIONS

111. Amendments to the Articles of Association shall be made by a resolution of the General Meeting of Shareholders. If the Meeting adopts a resolution to amend the Articles of Association, the full text of the amended Articles of Association shall be prepared and signed by a person authorised by the Meeting.

112. The Articles of Association shall be drawn up in 3 (three) copies in the Lithuanian language. All copies shall have the same legal force.

Open Limited Liability Company VILKYŠKIŲ PIENINĖ

Director General

signature

Gintaras Bertašius

date