

*/Translation from the Lithuanian language/*

<i>/Stamp: Registered at the Register of Legal Entities; 28 November 2019; Code 121922783/</i>
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## **ARTICLES OF ASSOCIATION**

### **of the public limited liability company Vilniaus baldai**

#### **I. GENERAL PROVISIONS**

1. The public limited liability company Vilniaus baldai (the Company) is an economically, financially, organisationally independent private legal entity of limited civil liability.
2. In its activities the Company shall follow these Articles of Association, civil Code of the Republic of Lithuania, Republic of Lithuania Law on Companies (the Law on Companies), and other legal acts.
3. Legal form of the Company – public limited liability company.
4. Liability of the company under its obligations shall be limited to its assets.
5. Duration of the Company shall be indefinite.
6. Financial year of the Company shall commence on 1 September and end on 31 August.
7. The name of the company shall be public limited liability company Vilniaus baldai.

#### **II. CORPORATE PURPOSE AND OBJECT OF THE COMPANY**

8. The corporate purpose of the company is profit from meeting the demand by the population, companies, institutions, organisations (disregarding the type and form of ownership thereof) for the provided services and works carried out in accordance with the types of economic activities listed below as well as profit from investment of funds. The Company may also conclude unprofitable transactions in order to prevent loss (greater loss) or provide the employees of the Company with better working or household conditions.
9. The object of the Company is as follows (types of activities shall be listed in accordance with the 2<sup>nd</sup> edition of the Classification of Economic Activities (EVRK 2<sup>nd</sup> ed.) approved by Order No DĮ-226 of 31 October 2007 of the Director General of the Department of Statistics under the Government of the Republic of Lithuania):
  - 9.1. Manufacture of furniture (31);
  - 9.2. Other Manufacturing (32);

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- 9.3. Wholesale trade, except of motor vehicles and motorcycles (46);
  - 9.4. Retail trade, except of motor vehicles and motorcycles (46);
  - 9.5. Repair of personal and household goods (95.2);
  - 9.6. Accommodation (55);
  - 9.7. Food and beverage service activities (56);
  - 9.8. Land transport and transport via pipelines (49);
  - 9.9. Warehousing and support activities for transportation (52);
  - 9.10. Travel agency activities (79.11);
  - 9.11. Other financial service activities, except insurance and pension funding (64.9);
  - 9.12. Real estate activities (68);
  - 9.13. Rental and leasing activities (77);
  - 9.14. Computer programming, consultancy, and related activities (62);
  - 9.15. Office administrative, office support, and other business support activities (82).
10. The Company shall be entitled to engage into other activities not listed below provided such activities are not in prejudice of the corporate purpose of the Company and/or laws of the Republic of Lithuania. Licensed activity shall be carried out only in the established procedure and after receipt of permits and licences.
11. The Company shall have all the civil rights and obligations provided they are not in prejudice of the laws of the Republic of Lithuania.

### **III. AUTHORISED CAPITAL OF THE COMPANY**

- 12. Authorised capital of the Company shall be EUR 4,508,069.72 (four million five hundred eight thousand sixty nine euros and 72 cents).
- 13. Authorised capital of the Company may be increased at the decision of the General Meeting of Shareholders in the procedure set forth in the Law on Companies.

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14. Authorised capital of the Company may be reduced at the decision of the General Meeting of Shareholders in the procedure set forth in the Law on Companies or by a decision of the court in cases set forth in the Law on Companies.

#### **IV. NUMBER, NOMINAL VALUE OF SHARES AND RIGHTS GRANTED TO THE SHAREHOLDERS**

15. The authorised capital of the Company has been divided into 3,886,267 (three million eight hundred eighty six thousand two hundred sixty seven) ordinary registered shares.
16. Nominal value of one share is EUR 1.16 (one euro and 16 cents).
17. Shares of the company are dematerialised. They shall be recorded in the personal securities accounts of the shareholders. The said shares shall be managed in the procedure set forth in the legal acts regulating the securities market.
18. The rights and obligations of the shareholders of the Company have been established in the Law on Companies and other legal acts of the Republic of Lithuania.
19. The Company may issue ordinary shares, which have the status of employee shares.

#### **V. BODIES OF THE COMPANY**

20. Bodies of the Company shall include the General Meeting of Shareholders, the Board, and the company Manager. No Supervisory Board of the Company shall be formed.
21. The Board is a collegial management body chaired by the Chairman. The Board of the Company shall consist of 3 (three) members appointed for the duration of 4 (four) years.
22. The Company shall have a management body of the Company Manager (General Manager).
23. Competence, procedure of convening of the General Meeting of Shareholders as well as other matters related to the activities of and decisions adopted by the General Meeting of Shareholders, also competence, procedure of election (appointment) and dismissal of the Board and Company Manager and other matters related to the activities of the Board and Company Manager shall be regulated in the procedure set forth in the Law on Companies.
24. The decision to issue bonds shall be adopted by the Board of the Company.
25. The Board of the Company shall implement the following supervisory functions:
- 25.1. Supervision of the activities of the Company Manager, submission to the General Meeting of Shareholders of comments and proposals on the activities of the Company Manager;
- 25.2. Deliberations on whether the Company Manager is fit for his office in the event of Company generating loss;

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25.3. Submission of proposals to the company Manager on withdrawal of his decisions provided the latter are in prejudice of the law or other legal acts, Articles of Association of the Company, decisions adopted by the General Meeting of Shareholders or the Board;

25.4. Decision of other matters of supervision of the activities of the Company and Company manager attributed by the decisions of the General Meeting of Shareholders to the competence of the Board.

26. In the end of the financial year an audit company chosen by the General Meeting of shareholders shall audit the set of annual financial statements before the scheduled annual general meeting of shareholders.

## **VI. PROCEDURE OF PUBLICATION OF NOTICES BY THE COMPANY**

27. Where the notices of the Company must be published, they shall be published in the electronic journal of the manager of the Register of Legal Entities intended for publication of notices. Other notices of the Company intended for the shareholders and other persons shall be sent by registered mail or served on the person upon signed acknowledgement.

28. Notice of convening of the General Meeting of Shareholders shall be published within the deadlines and in the procedure set forth in the Law on Companies.

29. Company Manager shall be responsible for timely sending or service of notices.

## **VII. PROCEDURE OF SUBMISSION OF DOCUMENTS AND INFORMATION OF THE COMPANY**

30. No later than 7 days from receipt of a written request of the shareholders documents of the Company listed in Article 18(1) of the Law on Companies shall be presented to the shareholder for familiarisation during the working hours of the Company at the domicile or other place specified by the Company Manager in which such documents are kept. Copies of such documents may be sent to the shareholder by registered mail or served on the person upon signed acknowledgement. The Company shall refuse presentation of the copies of the documents to the shareholder provided the shareholder requesting the documents cannot be identified.

31. Upon receipt of a written request of a shareholder the information (documents) of the Company shall be presented to the shareholder provided he personally appeared at the Company; such presentation of documents shall be in the presence of the responsible employee of the Company, at a time agreed in advance, and within the deadlines set forth in the Law on Companies. The employee of the Company appointed by the Company Manager shall be responsible for presentation of the documents and other information of the Company to the shareholders.

32. Commercial (industrial) secret shall consist of the information (save for the public information set forth in the laws of the Republic of Lithuania) which was granted such status by the decision of the Board of

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the Company. The shareholder or representative of shareholders shall be liable for disclosure of commercial (industrial) secret in the procedure set forth in the law.

### **VIII. PROCEDURE OF FOUNDING AND CLOSING OF THE BRANCHES AND REPRESENTATIVE OFFICES OF THE COMPANY**

33. Matters of opening and closing of branches and representation offices of the Company shall be resolved, Regulations of such branches and representation offices shall be approved by the Board of the Company in accordance with these Articles of Association and effective laws.
34. Managers of the branches and representation offices of the Company shall be appointed and dismissed by the Board of the Company.

### **IX. PROCEDURE OF AMENDMENT OF THE ARTICLES OF ASSOCIATION**

35. Articles of Association of the Company may be amended by a decision of the General Meeting of Shareholders adopted by at least 2/3 majority of votes unless established otherwise in the Law on Companies.
36. Should the General Meeting of shareholders decide to amend the Articles of Association of the Company, the complete text of the amended Articles of Association shall be drawn up and undersigned by the person authorised by the General Meeting.
37. Within the deadlines set forth in the law the Company Manager shall present the amended Articles of Association of the Company and documents confirming the decision on amendment thereof to the manager of the Register of Legal Entities.
38. Amended Articles of Association of the Company shall become effective only after registration thereof at the Register of Legal Entities of the Republic of Lithuania in the procedure set forth in the law.

### **X. OTHER PROVISIONS**

39. On any other matters not considered in these Articles of Association the Company shall follow the Civil Code of the Republic of Lithuania, Law on Companies, and other legal acts of the Republic of Lithuania.
40. In the event of inconsistencies between these Articles of Association and the imperative norms of law regulating legal status and/or activities of public limited liability companies, reference shall be given to the provisions of the respective norms of law.

The Articles of Association have been approved by the decision of the Board of fifteenth of November of the year two thousand nineteen.

The Articles of Association have been signed on fifteenth of November of the year two thousand nineteen.

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Jonas Krutinis, General Manager,  
authorised by the decision of the Board of 15 November 2019

*/Stamp:* 31<sup>st</sup> Notary Office of Vilnius  
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Svaldenis, Notary/

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