

## **ARTICLES OF ASSOCIATION OF PUBLIC LIMITED COMPANY EKSPRESS GRUPP**

The Articles of Association of public limited company Ekspress Grupp (hereinafter the Company) have been approved by resolution of the general meeting of shareholders on 17 June 2020.

### **1. BUSINESS NAME AND LOCATION OF COMPANY**

- 1.1. The business name of the Company is public limited company Ekspress Grupp.
- 1.2. The location of the Company is Tallinn, the Republic of Estonia.

### **2. SHARE CAPITAL, SHARES AND RESERVES**

- 2.1. The minimum share capital of the Company is 6,391,164 EUR and the maximum share capital is 25,564,656 EUR.
- 2.2. The Company has one class of registered shares with the nominal value of EUR 0.60. Every share grants one vote at the general meeting.
- 2.3. The shares are paid for by monetary and/or non-monetary contributions. Monetary contributions shall be paid to the Company's bank account. The value of non-monetary contributions will be assessed by the Management Board of the Company or an expert appointed by the Management Board. If there are generally recognised experts for assessing the value of items, the Management Board will have them assess the non-monetary contribution. The assessment of the value of non-monetary contributions is inspected by a sworn auditor.
- 2.4. The Company shall be entitled to issue shares at a price exceeding the nominal value (premium par).
- 2.5. The Company may issue, for a conditional increase of the share capital, bonds by a resolution of the general meeting, the holders of which have the right to convert their bonds to shares (convertible bond).
- 2.6. For covering losses and increasing the share capital, the Company shall form a reserve capital, the amount of which shall be 1/10 of share capital. Until the said amount is achieved, 1/20 of net profit shall be allocated to reserve capital every year.
- 2.7. The equity of the Company shall also include a voluntary reserve. The voluntary reserve shall be formed from the contributions of shareholders and other persons. Contributions and other allocations to the voluntary reserve may be made in cash and other assets. Contributions and other allocations shall be made pursuant to the resolution of the general meeting. Payments from the voluntary reserve may be made to the shareholders pursuant to the resolution of the general meeting according to the number of shares held by the shareholders. Payments may be made if it does not result in the net assets of the public limited company falling below the amount of the share capital and the legal reserve. Interest shall neither be calculated nor paid from the contributions made to the voluntary reserve.

### **3. TRANSFER, ENCUMBRANCE AND INHERITANCE OF SHARES**

- 3.1. The shares are freely transferable.
- 3.2. A share may be pledged.
- 3.3. Upon the death of a shareholder, his or her share shall pass to his or her heir.

### **4. MANAGEMENT BOARD**

- 4.1. The Company is directed by the Management Board, which consists of 1-5 members.
- 4.2. The members of the Management Board shall be elected by the Supervisory Board for up to five years.
- 4.3. The rights and obligations of the members of the Management Board shall be specified in more detail in contracts to be concluded with them. The conclusion, amendment and termination of the contract shall be decided by the Supervisory Board, who shall also appoint the Company's representative to sign the contract.
- 4.4. A member of the Management Board shall direct the Company with the due diligence of a prudent entrepreneur. A member of the Management Board shall act in a manner economically most expedient for the Company and shall be loyal to the Company. A member of the

Management Board shall give the shareholders a comprehensive overview of the financial standing of the Company at annual general meetings.

- 4.5. Each member of the Management Board may represent the Company in all legal procedures.
- 4.6. The members of the Management Board of the Company shall be prohibited from taking part in voting, if the decision to be voted on concerns the granting of consent for the conclusion of a transaction between the member of the Management Board and the Company, as well as if the decision concerns the conclusion of a transaction between the Company and a legal person, in which the member of the Management Board or persons connected with him or her have a significant holding.

## **5. SUPERVISORY BOARD**

- 5.1. The Supervisory Board plans the activities of the Company, organises its management and performs supervision over the activities of the Management Board. The Supervisory Board shall report the results of supervision to the general meeting.
- 5.2. The Supervisory Board consists of 3-7 members.
- 5.3. The members of the Supervisory Board are elected by the general meeting for five years.
- 5.4. From amongst themselves, the members of the Supervisory Board shall elect a chairman, who shall organise the activities of the Supervisory Board.
- 5.5. Supervisory Board meetings shall be held as necessary, but at least once within every three months. Meetings shall be convened by the chairman of the Supervisory Board or the member of the Supervisory Board substituting the chairman. At least one day's prior notice shall be given of a meeting and its agenda. A Supervisory Board meeting has a quorum, if more than one-half of the members of the Supervisory Board participate.
- 5.6. A resolution of the Supervisory Board shall be considered as adopted, if more than one-half of the members of the Supervisory Board participating in the voting vote in favour. The Supervisory Board has the right to adopt resolutions without calling a meeting either by e-mail voting or by a written decision. A member of the Supervisory Board shall not take part in voting, if the decision to be voted on concerns the granting of consent for the conclusion of a transaction between the member of the Supervisory Board and the Company or the granting of consent for the conclusion of a transaction between a third person and the Company, if the interests of the member of the Supervisory Board arising from the transaction are in conflict with the interests of the Company.
- 5.7. It shall be in the competence of the Supervisory Board to:
  - 5.7.1. appoint the chairman of the Management Board;
  - 5.7.2. approve the overall operating strategy and business plans of the Company and to perform supervision over the implementation thereof;
  - 5.7.3. approve the annual budget and investment plan prepared by the Management Board;
  - 5.7.4. provide an assessment on the annual report prepared by the Management Board;
  - 5.7.5. decide the conclusion of transactions and the pursuance of legal disputes between the Company and the members of the Management Board and to appoint the Company's representative for the purpose;
  - 5.7.6. establish the procedure and amount of remuneration for the members of the Management Board;
  - 5.7.7. grant consent to the Management Board for performing the transactions and procedures specified in subsection 5.8;
  - 5.7.8. decide other matters placed in the competence of the Supervisory Board by law or the Articles of Association of the Company.
- 5.8. The consent of the Supervisory Board is necessary for the Management Board for performing transactions and procedures outside the everyday economic activities of the Company, particularly for performing transaction involving:
  - 5.8.1. the acquisition, alteration or termination of holdings in other companies;
  - 5.8.2. the foundation or liquidation of a subsidiary;
  - 5.8.3. the acquisition, transfer or termination of operations of a company;
  - 5.8.4. the foundation or liquidation of foreign branches;

- 5.8.5. the making of investments exceeding a prescribed sum expenditure for the financial year;
- 5.8.6. the taking of loans or any other debt obligations exceeding a prescribed sum for the financial year;
- 5.8.7. the granting of loans or the securing of debt obligations if this is beyond the scope of everyday economic activities, except the granting and securing of loans inside the group;
- 5.8.8. the transfer or encumbrance of immovable property or movable property subject to entry into the register.

## **6. GENERAL MEETING OF THE COMPANY**

- 6.1. The general meeting is the highest body of the Company.
- 6.2. An annual meeting shall be held at the location of the Company once a year not later than within six months after the end of the financial year. An extraordinary meeting shall be convened in the cases stipulated by law.
- 6.3. If the general meeting is convened by the Management Board or the Supervisory Board, the Supervisory Board shall establish the agenda for the general meeting. If the general meeting is convened by the shareholders or the auditor, the agenda for the general meeting shall be established by them.
- 6.4. The Management Board shall send a notice of the general meeting to all the shareholders. If the Company has more than 50 shareholders, no notices have to be sent to the shareholders, but a notice of the general meeting shall be published at least in one nationally distributed daily newspaper. At least three weeks' prior notice shall be given of an annual general meeting. At least three weeks' prior notice shall be given of an extraordinary general meeting. A notice of the general meeting shall contain all the information stipulated by law.
- 6.5. Shareholders, whose shares represent at least 1/20 of the share capital, may request the inclusion of additional issues in the agenda for an annual general meeting, provided the relevant request is submitted at least 15 days before the general meeting.
- 6.6. Issues that have not been previously included in the agenda, may be included in the agenda with the agreement of at least 9/10 of the shareholders attending the general meeting, if their shares represent at least 2/3 of the share capital.
- 6.7. If the general meeting is convened by the Management Board, the Management Board shall prepare a draft decision for every agenda item. If the general meeting is convened by the shareholders, the Supervisory Board or the auditor, the draft decisions for every agenda item shall be prepared by them.
- 6.8. The shareholders, whose shares represent at least 1/20 of the share capital, may submit to the Company a draft decision for every agenda item. The said right may not be exercised later than three days before the general meeting.
- 6.9. The general meeting may adopt decisions, when more than one-half of the votes represented by shares are present. If the votes specified in the first sentence of this subsection are not represented at the general meeting, the Management Board shall convene a new meeting with the same agenda within three weeks, but not earlier than after seven days. The new general meeting shall be competent to adopt decisions regardless of the votes represented at the meeting.
- 6.10. The management board may decide that the shareholders may participate in the general meeting and exercise their right using electronic means without physically attending the general meeting and without appointing a representative.
- 6.11. Ways of electronic participation are:
  - 6.11.1. participation in a general meeting by means of real-time two-way communication throughout the general meeting or in another similar electronic way, which enables the shareholder to watch the general meeting from a remote location, vote using electronic means throughout the general meeting on each draft of the resolution and address the general meeting at the time determined by the chairman of the meeting;
  - 6.11.2. voting on the draft resolutions prepared in respect to the items on the agenda of the general meeting using electronic means prior to the general meeting or during the general meeting.

- 6.12. The use and the procedure of the electronic voting shall be determined by the management board at each time.
- 6.13. The procedure of the electronic voting shall ensure the identification of the shareholders and the security and reliability of the electronic voting and be proportionate for the achievement of the above objectives.
- 6.14. It shall be in the competence of the general meeting to:
- 6.14.1. amend the Articles of Association;
  - 6.14.2. increase and mediate the share capital;
  - 6.14.3. issue convertible bonds;
  - 6.14.4. elect and recall the members of the Supervisory Board;
  - 6.14.5. select an auditor;
  - 6.14.6. order a special audit;
  - 6.14.7. approve the annual report and allocate the profit;
  - 6.14.8. decide the liquidation, merger, division or restructuring of the Company;
  - 6.14.9. decide the conclusion of a transaction with a member of the Supervisory Board, determine the terms and conditions of the transaction, decide the pursuance of a legal dispute and appoint the Company's representative in the transaction or dispute;
  - 6.14.10. establish the procedure and amount of remuneration for the members of the Supervisory Board;
  - 6.14.11. decide other matters placed in the competence of the general meeting by law.
- 6.15. The circle of shareholders entitled to attend the general meeting shall be determined as at seven days before the general meeting.
- 6.16. A resolution of the general meeting shall be considered as adopted, when more than one-half of the votes represented at the general meeting vote in favour, except when deciding issues specified in subsections 6.14.1, 6.14.2 and 6.14.8 of the Articles of Association, the adoption of which requires at least 2/3 of the votes represented at the general meeting. Upon electing a person, the general meeting shall consider the person who got the most votes as elected. Decisions in matters, where a greater majority of votes is required by law, shall be considered as adopted, when the number of votes required by law is given in favour.
- 6.17. Minutes shall be taken of the general meeting. In the cases stipulated by law, the minutes of the general meeting shall be notarised. The shareholders shall have the right to receive a copy of the minutes of the general meeting.
- 6.18. Upon adopting decisions at the general meeting, deviations from the provisions of this section 6 are allowed in the cases and in the extent stipulated by law.

## **7. REPORTING**

- 7.1. The financial year of the Company begins on 1 January and ends on 31 December.
- 7.2. The Management Board shall prepare an annual report and shall present it with the auditor's report to the Supervisory Board and to the general meeting.
- 7.3. The Supervisory Board shall review the annual report and prepare a written statement, which shall be presented to the general meeting. In the said statement, the Supervisory Board shall indicate whether it approves the annual report prepared by the Management Board. The statement shall also contain information concerning the activities of the Supervisory Board in the organisation and management of the operations of the Company.
- 7.4. The annual report shall be approved by the general meeting.

## **8. ALLOCATION OF PROFIT**

- 8.1. A shareholder shall be paid a part of the net profit (dividend) according to the nominal value of his or her shares.
- 8.2. The Company's own shares shall not be taken into account in the allocation of profit.
- 8.3. After the end of the financial year and before the approval of the annual report, the Management Board of the Company shall, with the consent of the Supervisory Board, have the right to make

advance payments to the shareholders on account of the expected profit in the extent of half of the amount available for distribution among the shareholders.

**9. FINAL PROVISIONS**

9.1. The liquidation, merger, division and restructuring of the Company shall take place in accordance with the procedure stipulated by law.