

## **Public company ANYKŠČIŲ VYNAS**

### **ARTICLES OF ASSOCIATION**

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

1. Public company ANYKŠČIŲ VYNAS (the “**Company**”) is a company with an economic, financial, organisational and legal independence.

2. The company is a privately owned legal entity of limited liability. The Company is liable for its obligations to the extent of its own assets. The Company is not liable for the obligations of its shareholders and the shareholders are not liable for the obligations of the Company, except for the cases stipulated by law. The shareholders have no other obligations to the Company save the obligation to pay in due course an issue price for all the shares subscribed by them.

3. The Company is operating in accordance with the provisions of laws, other legislative acts of the Republic of Lithuania, and these Articles of Association.

4. The full name of the company is public company ANYKŠČIŲ VYNAS, for short – AB ANYKŠČIŲ VYNAS.

5. The Company has its account with a bank registered in the Republic of Lithuania and its seal.

6. The financial year of the Company is a calendar year.

7. The Company is established for an unlimited period.

#### **II. GOALS AND OBJECT OF THE COMPANY’S OPERATIONS**

8. The goal of the Company’s operations is rational use of the Company’s assets and other resources, efficient and productive development of its business activities in pursuit of profit.

9. The Company is engaged in the following business activities:

- production of juice from berries, fruit and vegetables;
- rectification and mixture of spirit;
- production of cider and other wine from berries and fruit;
- production of other non-distilled fermented beverages;
- wholesale of alcoholic beverages;
- trade in unspecialized shops dominated by food, drinks and tobacco;
- other nutrition facilities.

10. The Company may engage in any other type of activity not prohibited under laws of the Republic of Lithuania.

11. The Company may engage in licensed or regulated activities only after having obtained respective licences or permissions in accordance with the procedure established by laws of the Republic of Lithuania.

#### **III. RIGHTS AND OBLIGATIONS OF THE COMPANY**

12. The Company may enjoy and gain any civil rights and assume obligations, save for the exceptions established by laws of the Republic of Lithuania.

#### **IV. AUTHORISED CAPITAL**

13. The authorised capital of the Company is LTL 20,000,000 (twenty million litas).

14. The Company's authorised capital is divided into 20,000,000 (twenty million) ordinary registered shares of 1 (one) litas par value each.

## **V. RIGHTS CONFERRED BY SHARES**

15. The shareholders of the Company have property and non-property rights established under laws and other legislative acts of the Republic of Lithuania.

16. Each fully paid up share confers on its owner one vote at the general meeting of shareholders.

## **VI. MANAGING BODIES**

17. The bodies of the Company are: the general meeting of shareholders, the board and the head of the Company.

## **VII. GENERAL MEETING OF SHAREHOLDERS**

18. The general meeting of shareholders (the "**Meeting**") is the supreme body of the Company. Meetings (as well as repeated meetings) may be attended by all persons who at the end of the record day of the meeting were the shareholders of the Company. The record day of the Meeting is the fifth business day before the date of the Meeting. Members of the board, the head of the Company and the auditor may also attend and speak at the Meeting.

19. The competence of the Meeting is such as established by the Law on Companies of the Republic of Lithuania.

20. For the purpose of resolution on formation of distributable reserves the Meeting shall determine the particular purposes and procedures of their use and amounts.

## **VIII. CONVOCAATION PROCEDURE OF THE GENERAL MEETING OF SHAREHOLDERS**

21. The Meeting's convocation procedure is established by the Law on Companies of the Republic of Lithuania.

22. The board of the Company, its head and the persons or institution who decide to convene the Meeting shall deliver to the Company the information and documents needed for drafting a notice about convocation of the Meeting. The notice about convocation of the Meeting shall be delivered for publication by the head of the Company in the Republic of Lithuania and in all other Member States of the European Union as well as in the States of the European Economic Area under the procedure established by the Law on Securities of the Republic of Lithuania, i.e. through the operator's of regulated market AB NASDAQ OMX VILNIUS news system *Globenewswire*, not later than 21 days before the Meeting date. If the Meeting does not take place, then the notice about the repeated Meeting shall be made in a similar way and not later than 14 days before the date of the repeated Meeting. The repeated Meeting shall be convened not earlier than 14 days and not later than 21 days after the date of the Meeting, which was not held.

## **IX. PROCEDURE OF VOTING AT THE GENERAL MEETING OF SHAREHOLDERS**

23. The procedure of voting at the Meetings is established by the Law on Companies of the Republic of Lithuania.

24. Shareholders may vote prior to the Meeting in writing. The shareholder who is entitled to vote and is familiar with the agenda and proposed resolutions of the Meeting may in advance and in writing (by filling a general ballot) communicate to the Meeting his will either “for” or “against” each resolution. The shareholders who voted in writing prior to the Meeting shall be considered attending the Meeting and their votes shall be included in the quorum and voting results of the Meeting. General ballots that were filled for the Meeting, which was not held shall be valid for the repeated meeting. The shareholder who has expressed his will in writing prior to the Meeting shall have no right to vote at the Meeting on the resolution voted by him in advance in writing.

25. The Meeting may adopt resolutions and is deemed to have occurred when it is attended by the shareholders possessing the shares with the attaching more than ½ of all votes.

26. The resolution of the Meeting is deemed adopted when it receives more votes in favour than against, except for the resolutions specified in items 27 and 28 of these Articles of Association the adoption of which needs a larger majority of votes attaching to the shares of the attending shareholders, and in the cases of electing members of the board in accordance with the provisions hereof.

27. At least the majority of 2/3 of votes attaching to the shares of the attending shareholders is needed for adoption of the following resolutions on:

27.1.1. amendment of the Articles of Association of the Company, save for the exceptions provided for by the Law on Companies of the Republic of Lithuania;

27.1.2. establishment of the class, number, par value and the minimum issue price of the shares issued by the Company;

27.1.3. conversion of the Company’s shares from one class to another and approval of the conversion procedure;

27.1.4. distribution of profit (loss);

27.1.5. formation, use, decrease and liquidation of reserves;

27.1.6. allocation of dividends for a shorter term, than the financial year;

27.1.7. issue of convertible bonds;

27.1.8. increase of the authorised capital;

27.1.9. decrease of the authorised capital save for the exceptions provided for by the Law on Companies of the Republic of Lithuania;

27.1.10. reorganisation and spin-off of the Company and approval of the terms and conditions thereof;

27.1.11. transformation of the Company;

27.1.12. restructuring of the Company;

27.1.13. liquidation and revocation of liquidation of the Company save for the exceptions provided for by the Law on Companies of the Republic of Lithuania.

28. At least the majority of 3/4 of votes attaching to the shares of the attending shareholders is needed to adopt a resolution on recalling the pre-emptive right of all the shareholders to acquire the shares or convertible bonds of the Company of a particular issue.

## **X. THE BOARD**

29. The board is a collegial managing body of the Company.

30. The board consisting of 4 members is elected by the Meeting for a 4-year period. The board elects its chairman from among its members. The number of tenures of the board member is unlimited.

31. For the purpose of election of board members each shareholder shall have such number of votes as conferred on him by the owned shares multiplied by the number of board members being

elected. Such number of votes may be used by the shareholder at his own discretion: to vote either for one or for several nominees. The nominees who receive the largest number of votes shall be elected to the board. When there are more nominees who received an equal number of votes than there are vacancies on the board, a repeated voting shall be arranged in which each shareholder shall vote for only one of the nominees who had received an equal number of votes.

32. The Meeting may recall either the whole board or any of its members before the end of the term of office.

33. A member of the board may resign before the end of his term of office subject to a written notice to the Company delivered not later than 14 calendar days in advance.

34. The competence of the board is established by the Law on Companies of the Republic of Lithuania and these Articles of Association.

35. The board shall consider and approve:

35.1. business strategy of the Company;

35.2. annual report of the Company;

35.3. interim report of the Company;

35.4. management structure of the Company and job positions in it;

35.5. positions to which persons are employed through competition;

35.6. regulations of the Company's branches and representative offices;

35.7. nominees to be representatives of the Company in its subsidiaries. The head of the Company shall issue particular authorisations for the approved nominees;

35.8. list of the Company's commercial (production) secrets and confidential information.

36. The board shall consider the draft articles of association of the Company's subsidiaries.

37. The board shall determine which information shall constitute the Company's commercial (production) secrets and confidential information. Information, which under the laws of the Republic of Lithuania must be public, may not constitute commercial (production) secrets and confidential information of the Company.

38. The board shall elect and recall the head of the Company, shall establish his salary and other conditions of his employment contract, approve his office regulations, motivate him and impose penalties.

39. The board shall also adopt the following decisions on:

39.1. the establishment of the Company's branches and representative offices and termination of their activities and shall approve the nominees to head such branches and representative offices;

39.2. the Company's becoming a founder of or participant in other legal entities;

39.3. the acquisition of securities of other companies;

39.4. the investment, transfer or lease of the Company's fixed assets the balance value whereof is higher than 1/20 of the Company's authorised capital (for each separate transaction);

39.5. the pledge or mortgage of the Company's fixed assets the balance value whereof is higher than 1/20 of the Company's authorised capital (for the total sum of transactions);

39.6. the issuing sureties or guaranties for other persons' obligations the amount whereof is larger than 1/20 of the authorised capital of the Company;

39.7. the acquisition of fixed assets at a price higher than 1/20 of the authorised capital of the Company;

39.8. the restructuring of the Company in the cases stipulated by the Law of the Republic of Lithuania on Restructuring of Enterprises;

39.9. granting or issuance of loans the amount whereof is higher than LTL 500,000.

40. Before adopting a decision on investing funds or any other assets into another legal entity the board shall notify thereabout its creditors to whom the Company has failed to make payments within the established time limits if the total sum of the debt to such creditors is larger than 1/20 of the authorised capital of the Company.

41. The board shall analyse and assess the materials delivered by the head of the Company on:

- 41.1. the implementation of the Company's business strategies;
- 41.2. the organisation of the Company's business activities;
- 41.3. the financial situation of the Company;
- 41.4. the results of business operations, income and expense estimates, inventories and other accounting information on changes in equity;
- 41.5. the reorganisation or liquidation of subsidiaries except for the cases stipulated by laws;
- 42. The board shall analyse and assess a set of annual financial statements of the Company and a draft appropriation account and shall deliver such materials together with the annual report to the general meeting of shareholders. The board shall also analyse and assess a draft of the decision to allocate the dividends for a period shorter than the financial year and a set of interim financial statements of the Company, compiled to adopt thereof, which together with the interim report shall be delivered to the general meeting of shareholders.
- 43. The board shall pass the decisions that are attributed to its competence by Meeting resolutions.
- 44. The board shall work in accordance with its adopted work regulations.
- 45. The procedure of the adoption of the resolutions of the board is established by legislative acts of the Republic of Lithuania.
- 46. The managing bodies of the Company must work only to the benefit of the Company and its shareholders in compliance with laws and other legislative acts and based on the provisions of the Articles of Association of the Company.
- 47. In the cases and within the terms established by laws of the Republic of Lithuania claims regarding invalidity of the decisions/resolutions adopted by the managing bodies of the Company may be filed by the shareholders of the Company, its creditors, its head, board members and any other persons stipulated by laws of the Republic of Lithuania.

## **XI. HEAD OF THE COMPANY**

- 48. The head of the Company, its director (the "**Head of the Company**"), is a one-person managing body of the Company. The competence of the head of the Company is determined by the Law on Companies of the Republic of Lithuania and these Articles of Association.
- 49. The Head of the Company is elected, recalled and dismissed by the board. The salary for the Head of the Company, the office regulations shall be considered and approved by the board. The board motivates and imposes disciplinary penalties to the Head of the Company. A competition may be organised to select the Head of the Company.
- 50. The Head of the Company may have his deputies.
- 51. The Head of the Company follows the laws, other legislative acts of the Republic of Lithuania, the Company's Articles of Association, resolutions of the Meeting, resolutions of the board and the office regulations of the Head of the Company.
- 52. The Head of the Company approves the working regulations of the administration, organises its day-to-day operations, employs and dismisses employees, forms and terminates employment contracts with them, motivates them and imposes disciplinary penalties.
- 53. The Head of the Company represents the Company in its relations with third parties, before courts and in arbitration. The Head of the Company commences his duties from the date specified in his employment contract. Within the framework of his competence the Head of the Company may authorise an employee of the Company or any other person to perform legal actions in court and in any other extrajudicial institutions by issuing a procuracy (to be documented as required under legislative acts of the Republic of Lithuania) or a power of attorney.
- 54. The Head of the Company is acting on behalf of the Company and may enter into transactions at his own discretion. The Head of the Company may conclude the transactions

specified in clause 39 of these Articles of Association when there is a decision of the board to enter into such transactions.

55. The Head of the Company shall keep confidential the commercial (production) secrets and confidential information of the Company which become known to him in the course of his duties.

56. The Head of the Company shall have a right to resign by submitting the written notice to the board. The board must take the resolution to recall the Head of the Company within 15 days from the day of receiving the notice on resignation. If the board doesn't take the resolution to recall the Head of the Company, the employment contract with the Head of the Company ends on the 16<sup>th</sup> day from the day of receiving the notice on resignation.

57. The person, authorised of the board not later than within 5 days must notify the Register of Legal Entities about the election, revocation of the Head of the Company, about the termination of the employment contract with him on other legal basis. If the board doesn't take the resolution to recall the Head of the Company who submitted the resignation notice, the Head of the Company must notify the Register of Legal Entities about the end of the employment contract with him personally by submitting the documents in accordance with the Law on Companies of the Republic of Lithuania.

58. The Head of the Company is liable for:

58.1. organization of the business activities and implementation of the Company's purposes;

58.2. setting up the set of annual financial statements and the preparation of the annual report;

58.3. compiling of the draft of the decision to allocate the dividends for a period shorter than the financial year, setting up of a set of interim financial statements of the Company and drafting of the interim report, in order to adopt the decision to allocate the dividends for a period shorter than the financial year;

58.4. making of the contract with the audit company;

58.5. submitting of the information and documents to the Meeting, board as established in the Law on Companies of the Republic of Lithuania or at their request;

58.6. submitting of data and documents to the Register of Legal Entities;

58.7. submitting of the documents to the Bank of Lithuania and the Central Securities Depository of Lithuania;

58.8. submitting of the information to shareholders;

58.9. performance of other obligations established by the Law on Companies and other laws and legislative acts of the Republic of Lithuania, in the Company's Articles of Association, working regulations of the administration and office regulations of the Head of the Company.

## **XII. NOTIFICATION AND ANNOUNCEMENT PROCEDURE**

59. The procedure of notification and announcement about convocation of the Meeting is established in clause 22 of these Articles of Association.

60. The decision to decrease the Company's authorised capital shall be notified to every creditor of the Company against signature or by registered mail. The announcement about the decision to decrease the authorised capital of the Company shall be published in the electronic edition of the Register of Legal Entities of the Republic of Lithuania for public announcements or communicated to every shareholder of the Company against signature or by registered mail. In cases when notices cannot be announced in such publication due to technical obstacles, such notices shall be announced in the daily *Lietuvos rytas*.

61. The conditions of reorganisation, the decision on transformation of the Company not later than 30 days till the Meeting shall be announced in the electronic edition of the Register of Legal Entities of the Republic of Lithuania for public announcements and communicated to all the creditors of the Company in writing, or announced in the electronic edition of the Register of Legal Entities of the Republic of Lithuania for public announcements three times at the intervals of at

least 30 days, in accordance with the terms of the Law on Companies of the Republic of Lithuania. In cases when notices cannot be announced in such publication due to technical obstacles, such notices shall be announced in the daily *Lietuvos rytas*.

62. Not later than within 7 days after the Meeting the vote results, which are stated in compliance with the requirements of the Law on Companies of the Republic of Lithuania, shall be submitted in Company's website.

63. In any other cases not mentioned herein when certain information must be communicated to the creditors and/or shareholders of the Company, such information shall be published in the electronic edition of the Register of Legal Entities of the Republic of Lithuania for public announcements, in compliance with the terms and conditions established by the Law on Companies of the Republic of Lithuania, or the information may be communicated to each creditor and/or shareholder in person against signature or by registered mail. In cases when notices cannot be announced in such publication due to technical obstacles, such notices shall be announced in the daily *Lietuvos rytas*.

### **XIII. DELIVERY OF THE INTERNAL INFORMATION AND OTHER DOCUMENTS OF THE COMPANY TO ITS SHAREHOLDERS**

64. No later than within 7 days upon receipt of a written request of a shareholder the Company shall make available and/or deliver to the shareholder copies of the following documents: Articles of Association of the Company, sets of annual and interim financial statements, annual and interim reports, auditor's opinions and reports, minutes of the Meetings or any other documents formalising the decisions of the Meetings, lists of shareholders, lists of board members, other documents of the Company which are public under law, as well as minutes of the board meetings or any other documents formalising the decisions of the board, provided such documents do not contain any commercial (production) secrets and confidential information of the Company.

The following information shall be specified in the list of the Company's shareholders which the Company delivers to its shareholders: data of each shareholder's or data of each shareholder's if the share belongs to several shareholders and data of their representative's (names and surnames of natural persons, the shareholders' residences or addresses for communication, names of legal persons and legal forms, the addresses of registered office), the number of registered shares of the Company owned by each of them.

Information and copies of documents shall be delivered for a charge, LTL 2 per page.

65. The shareholder or a group of shareholders who own or possess more than 1/2 of all shares and who deliver to the Company their written commitment not to disclose the commercial (production) secrets and confidential information, shall have the right of access to all Company's documents.

66. Commercial (production) secrets and confidential information is the information (except for the public information defined by laws of the Republic of Lithuania) determined as such by the decision of the board. The shareholder or shareholders' representative shall be liable under law for the disclosure of a commercial (production) secret and confidential information.

67. Upon the shareholder's request the Company shall document in writing its refusal to deliver the documents. Disputes regarding shareholders' right of access to information shall be referred to court.

68. Not later than 21 days before the Meeting the Company submits in Company's website. this information and documents: the notification on convocation of the Meeting, the total registered shares, the number of shares which have a vote right on the day of the Meeting, drafts of decisions on each agenda issue or, if the decisions shall not be adopted, -explanations of the board and shareholders, documents that must be submitted to the Meeting, the general ballot paper. The supplemented agenda, the drafts of proposed decisions, or if the decisions shall not be adopted,

explanations on each of the proposed issue must be submitted in the website immediately. If the general ballot paper isn't accessible in the Company's website for the technical reasons, the Company must indicate in Company's website, that the shareholders can get the printed form of the general ballot paper in the Company's registered office. The general ballots shall be sent free of charge by the Company not later than 10 days till the Meeting by registered mail or delivered in person against signature to the shareholders entitled to vote if the shareholders request so in writing. Not later within 7 days after the Meeting the Company submits the voting results in the Company's website, which are calculated in compliance with the requirements of clauses 2 and 3 of article 22 of the Law on Companies of the Republic of Lithuania.

#### **XIV. BRANCHES AND REPRESENTATIVE OFFICES**

69. The Company shall have the right to establish its branches and representative offices both in the Republic of Lithuania and in foreign countries. A branch or representative office is not a legal person and uses the name of the Company as a legal person. A branch or a representative office operates based on the Company's Articles of Association or the regulations of the representative office. The assets of the branches are accounted for on the balance sheet of the Company and on their own balance sheets.

70. The Company is liable for the assets of the branches and representative offices to the extent of all its assets.

71. The board of the Company adopts resolutions on the establishment of the Company's branches and representative offices and termination of their activities, and approves their regulations as well as appoints and dismisses heads of the branches and representative offices based on the provisions of these Articles of Associations and applicable laws.

#### **XV. AMENDMENT OF THE COMPANY'S ARTICLES OF ASSOCIATION**

72. The Company's Articles of Association may be amended by the resolution of the general meeting of shareholders passed by at least 2/3 majority vote of the shareholders present at the Meeting and eligible to vote by their shares, except for the exceptions provided by the Law on Companies of the Republic of Lithuania. Upon the resolution of the general meeting of shareholders to amend the Articles of Association of the Company, the whole text of the amended Articles of Association shall be written down and signed by the person authorised by the general meeting of shareholders.

The Articles of Association approved and signed on 26 July, 2012 at the general meeting of shareholders.

The person authorised by the General meeting of shareholders:

Director

Audrius Zuzevičius