

## **ARTICLES OF ASSOCIATION OF CLEVON AS**

### **1 BUSINESS NAME, REGISTERED OFFICE AND AREA OF ACTIVITY OF THE PUBLIC LIMITED COMPANY**

- 1.1** The business name of the public limited company is Clevon AS (hereinafter "Company").
- 1.2** The registered office of the Company is located at the city of Viljandi, Viljandi County, Republic of Estonia.
- 1.3** The financial year of the Company starts on 01 January and ends on 31 December.

### **2 SHARE CAPITAL AND SHARES, LEGAL RESERVE**

- 2.1** The minimum amount of the share capital is EUR 1,250,000 (one million two hundred and fifty thousand euros), and the maximum amount is EUR 5,000,000 (five million euros), within which limits the amount of the share capital may be changed without amending the articles of association.
- 2.2** The share capital has been divided into registered shares with the nominal value of EUR 0.10 (ten euro cents).
- 2.3** The issue price of a share may not be lower than its nominal value. The issue price of a share may be higher than its nominal value (share premium). Shares may be paid for either by monetary or non-monetary contributions. Monetary contributions shall be made to the bank account of the Company. Non-monetary contributions are evaluated by the management board, and their valuation is verified by an auditor. The valuation of a non-monetary contribution shall be based on the usual value of a thing or a right.
- 2.4** For conditional increase of the share capital the Company may issue bonds, holders of which have the right to convert their bonds to shares (convertible bond). Convertible bonds shall be paid for in money. The aggregate nominal value of convertible bonds shall not exceed 1/3 (one third) of the share capital.
- 2.5** The legal reserve of the Company is 1/10 (one tenth) of the share capital. Until this amount is reached 1/20 (one twentieth) of the net profit shall be allocated to the legal reserve annually.
- 2.6** By a resolution of shareholders, the Company may establish a voluntary reserve:
- 2.6.1.** A voluntary reserve may be established:
- a) On the account of net profit;
  - b) Claims arising from loans granted to the Company by shareholders or third parties and/or other outstanding financial obligations of the Company to shareholders and/or shareholders' contributions, which may be monetary or non-monetary. A non-monetary contribution may be any thing, which is monetarily appraisable and transferable to the Company or a proprietary right which may be the object of a claim.
- 2.6.2.** The voluntary reserve may be used, *inter alia*, to cover the loss, if it cannot be covered from unrestricted equity of the Company, or to increase the share capital.
- 2.6.3.** Any reduction (including making disbursements from), increase or

dissolution of the voluntary reserve is carried out based on a resolution of shareholders. Disbursements may be made to shareholders *pro rata* to the contributions of the shareholder into the voluntary reserve. Disbursements may not be made from the reserve, if such disbursements would cause the net assets of the Company to fall below the amount provided by law.

### **3 TRANSFER, ENCUMBRANCE AND SUCCESSION OF SHARES**

**3.1** Shares are freely transferable. Shares may be pledged.

**3.2** Upon death of a shareholder the share shall transfer to the successor of the shareholder.

### **4 MANAGEMENT BOARD**

**4.1** The operations of the Company are managed by the management board consisting of 1 (one) to 3 (three) members. The members of the management board are elected for the term of 5 (five) years.

**4.2** If the management board has 2 (two) or more members, the supervisory board may appoint a particular member of the management board to represent the Company in any legal acts alone, and the other two management board members acting together.

**4.3** The management board shall manage the Company with due business diligence. At least once a month, the management board shall submit to the supervisory board the financial statements of the Company for the previous month (income statement, balance sheet, cash flow statement with their comparison against the budget) and an overview of the Company's economic activity and economic position (including sales and development activities and plans related to employment contracts of key personnel), and promptly report any significant deterioration of the Company's financial status and other material circumstances related to the economic activity of the Company. Upon presentation of the annual accounts, the management board shall provide the shareholders comprehensive information about the economic standing of the Company.

**4.4** The detailed rights and obligations of the members of the management board shall be specified in agreements concluded with them. The agreements are entered into, amended and terminated by the supervisory board.

**4.5** A member of the management board may be removed by a resolution of the supervisory board regardless of the reason. The rights and obligations arising from the agreement entered into with a member of the management board shall terminate as stipulated in the agreement.

**4.6** The supervisory board elects the chairperson of the management board.

### **5 SUPERVISORY BOARD**

**5.1** The activities of the Company are planned, the management of the Company is organised, and supervision of the activities of the management board is carried out by the supervisory board consisting from 6 (six) to 7 (seven) members.

**5.2** The members of the supervisory board are elected by the general meeting according to the procedure provided by law.

**5.3** The supervisory board gives orders to the management board for organisation of the management of the Company. The consent of the supervisory board is required for conclusion of transactions, which are beyond the scope of everyday economic activities and, above all, for conclusion of transactions which bring about:

- a) the acquisition or termination of holdings in other companies; or
- b) the foundation or winding up of subsidiaries; or
- c) acquisition, transfer or dissolution of an enterprise; or
- d) the transfer or encumbrance of immovables or registered movables; or
- e) the foundation or closure of foreign branches; or
- f) the approval of the annual budget and annual activity plan; or
- g) the making of investments exceeding a prescribed sum of expenditure for the current financial year; an investment is deemed to have been prescribed by the activity plan if it is clearly and unambiguously reflected in the activity plan; or
- h) the assumption of loans or debt obligations exceeding the sum prescribed for the current financial year; a loan or debt obligation is deemed to have been prescribed by the activity plan if it is clearly and unambiguously reflected in the activity plan; or
- i) the granting of loans or the guarantee of debt obligations if this is beyond the scope of everyday economic activities (including, but not exclusively, if the amount of an individual loan or the aggregate amount of loans exceeds EUR 20,000); or
- j) the making of investments not related to the core area of activity of the Company, which individually or in total exceed EUR 20,000.
- k) the transfer of intellectual property and the assignment of rights related to intellectual property and the granting of such a licence that includes any restrictions on the subsequent issuance of licences to others (including geographically or temporally defined exclusivity).

**5.4** Meetings of the supervisory board are held when necessary, but not less frequently than once every 3 (three) months. A meeting is called by the chairperson of the supervisory board or a member of the supervisory board acting for the chairperson. The meeting shall be called and its agenda shall be announced at least 5 (five) days in advance.

**5.5** A meeting of the supervisory board (including a reconvened meeting) has a quorum if it is attended by at least 5/6 of all members of the supervisory board, unless a higher majority requirement is prescribed by law. A member of the supervisory board shall not be represented by another member of the supervisory board or by a third person at a meeting or in the adoption of a resolution. Members of the supervisory board may participate in the meeting of the supervisory board and exercise their rights using electronic means, without being physically present at the meeting, via real-time two-way communication or other similar form of electronic communication, which gives the member of the supervisory board a possibility to observe the course of the meeting while being away, speak at the meeting and vote upon the adoption of resolutions.

**5.6** Minutes shall be taken of meetings of the supervisory board. The minutes shall be signed by all members of the supervisory board attending the meeting, and the recording secretary of the meeting. The dissenting opinion of a member of the supervisory board shall be entered in the minutes, which shall be confirmed by that member's signature.

**5.7** The supervisory board may adopt resolutions without calling a meeting of the supervisory board, if this is set forth in the rules of procedure of the supervisory board, or if all of the members of the supervisory board consent to it. The chairperson of the supervisory board shall send all members of the supervisory board the draft resolution, and appoints the term during which members of the supervisory board have to express their opinion about the matter. The opinion of the member of the supervisory board shall be expressed at least in a format reproducible in writing. If within said term any member of the supervisory board fails to state whether they are in favour of or opposed to the resolution, it shall be deemed that they vote against it. If all members of the supervisory board agree with the resolution and sign it, such resolution may be formalised also without advance notice and record of vote. The resolution shall state

the names of the members of the supervisory board and the time of adopting the resolution.

**5.8** A resolution of the supervisory board shall be deemed adopted, if at least 5 members of the supervisory board vote in favour of the resolution, unless the law or the articles of association prescribe a greater majority requirement. This applies to both adopting a resolution at a meeting as well as to adopting a resolution without calling a meeting.

**5.9** Within three years after the entry into effect of the version of the articles of association adopted on 06/06/2022, the supervisory board has the right to increase the share capital by making contributions. The supervisory board may increase the share capital by up to 147,145 euros, by issuing up to 1,471,450 new shares to fulfil the commitments of the Company arising from option agreements, whereas the pre-emptive right of shareholders set out in § 345 of the Commercial Code to subscribe to new shares is barred in respect of said shares.

## **6 GENERAL MEETING**

**6.1** Resolutions of the general meeting are adopted at a meeting or, in cases prescribed by law, without calling a meeting. A general meeting may be held such that shareholders are given a possibility to vote by electronic means. The procedure of voting by electronic means shall be established by the management board of the Company. The decision on voting by electronic means shall be taken by the party calling the meeting, and the shareholders shall be notified of the possibility to use this option in the notice on calling the general meeting.

**6.2** A general meeting is competent to adopt resolutions to:

- (a) amend the articles of association;
- (b) increase and reduce share capital;
- (c) elect and remove members of the supervisory board;
- (d) approve the annual report and distribute profit;
- (e) decide on dissolution, merger, division or transformation of the Company;
- (f) acquire own shares or take the same as security, the conditions and deadline of the acquisition of or taking a share as security, and the amount payable for the share;
- (g) elect an auditor;
- (h) designate a special audit;
- (i) decide on conclusion and terms and conditions of transactions with members of the supervisory board, decide on the conduct of legal disputes with them, and on the appointment of the representative of the Company in such transactions and disputes;
- (j) issue convertible bonds.

**6.3** The place of holding the general meeting is the seat or the place of business of the Company, unless otherwise stated in the notice on calling the meeting sent by the management board.

**6.4** The general meeting is called by the management board. If the general meeting is called by the management board or the supervisory board, the supervisory board shall decide the agenda of the meeting.

**6.5** The management board calls an annual general meeting at the latest within 6 (six) months after the end of the financial year. A special general meeting is called in cases provided by law.

**6.6** The management board shall send the notice of the general meeting to all shareholders according to the procedure prescribed by law.

- 6.7** Notice of an annual general meeting shall be given at least 3 (three) weeks in advance. Notice of a special general meeting shall be given at least 1 (one) week in advance. A notice calling a general meeting shall set out the information prescribed by law.
- 6.8** A shareholder may vote on the draft resolutions prepared in respect to the items on the agenda of a general meeting by submitting their vote to the Company before to the general meeting at least in a format reproducible in writing, provided that the identification of shareholders and the security and reliability of voting shall be ensured upon voting prior to the meeting. The shareholder who voted before the meeting shall be deemed to have participated in the general meeting and the votes represented by the shares held by the shareholder shall be accounted as part of the quorum of the general meeting unless otherwise provided by law. If only draft resolutions that were not disclosed before a general meeting are voted on at the general meeting, in respect to which the shareholder did not submit any votes, the shareholder shall not be deemed to have participated in the general meeting.
- 6.9** The general meeting (including a reconvened meeting) may adopt resolutions, if it is attended by shareholders who hold at least 2/3 of the votes represented by shares, unless the law or the articles of association prescribe a greater majority requirement.
- 6.10** A resolution of the general meeting (including a reconvened meeting) shall be deemed adopted, if more than 2/3 of the votes represented by shares are cast in favour of the resolution, unless the law or the articles of association prescribe a greater majority requirement.
- 6.11** In the election of a person, the candidate who receives more votes than the others shall be deemed to be elected.
- 6.12** Minutes are taken at the general meeting. The minutes are signed by the chair and the recording secretary of the meeting. Any dissenting opinion is signed by the person submitting it. A list of participating shareholders shall be compiled at the general meeting, which shall set out the names and the number of votes of the participating shareholders, as well as the name of the representative of the shareholder. The list shall be signed by the chair of the meeting and the recording secretary, as well as the shareholder participating in the meeting or their representative. Powers of attorney of the representatives or copies thereof shall be appended to the minutes of the meeting.
- 6.13** The shareholders may adopt resolutions without calling a meeting. The management board shall send the draft resolution in a format reproducible in writing to all shareholders, stating the deadline by which the shareholders shall express their position on it in a format reproducible in writing. If within said term any shareholder fails to state whether they are in favour of or opposed to the resolution, it shall be deemed that the shareholder votes against the resolution. If the Company has more than 50 shareholders, the draft resolution need not be sent to shareholders whose shares represent less than 1% of the votes represented by shares of the Company, however, the draft shall be published in at least one daily national newspaper. The draft resolution shall be sent to shareholders whose shares represent at least 1% of the votes represented by shares of the Company in a format reproducible in writing. The management board shall prepare a record of voting concerning the voting results as prescribed by law. After seven days from the deadline given to the shareholders for expressing their opinion, the adopted resolution shall be made accessible to the shareholders at the registered office of the Company or the homepage of the Company. The complete minutes, including the expressed opinions shall be presented to shareholders at their request. A resolution proposed to be adopted in accordance with this clause 6.13 shall be deemed adopted, if more than 2/3 of the votes represented by shares are cast in favour of the resolution, unless the law or the articles of association prescribe a greater majority requirement.

**6.14** Every share gives one vote at the general meeting.

## **7 REPORTS**

**7.1** Following the end of the financial year, the management board shall draw up the annual accounts and the management report in accordance with the procedure prescribed by the Accounting Act. The management board shall present the annual accounts and the management report (annual report) and the profit distribution proposal to the general meeting for approval. The annual report shall be signed as prescribed by the Accounting Act. The opinion of the supervisory board and the auditor's report shall be appended to the reports.

**7.2** The annual accounts and the activity report shall be submitted to the auditor such as to give the shareholders enough time to approve the audited report before the term set by the law expires.

**7.3** The financial statements shall be prepared in accordance with the Accounting Act and the generally accepted accounting principles.

## **8 DISTRIBUTION OF PROFIT**

**8.1** A shareholder is paid a share of net profit (dividend) in accordance with the total nominal value of the shares held by the shareholder.

**8.2** Own shares of the public limited company held by the company shall not be taken into account upon distribution of profit.

**8.3** The management board of the Company may make advance payments to the shareholders with the consent of the supervisory board after the end of a financial year and before approval of the annual report on account of the expected profit in the amount of up to 1/2 (one half) of the amount subject to distribution among the shareholders.

## **9 FINAL PROVISIONS**

**9.1** Liquidation, merger, division and transformation of the public limited company take place according to the procedure provided by law. The members of the management board shall act as liquidators of the Company, unless the resolution of shareholders or the court ruling provides otherwise.

**9.2** Upon dissolution of the Company the remaining assets of the Company shall be distributed between its shareholders by monetary or non-monetary disbursements.

This version of the articles of association of Clevon AS was approved on 28/11/2022 by the resolution of the shareholders.