

## **ARTICLES OF ASSOCIATION OF**

### **SPHERA FRANCHISE GROUP S.A.**

A joint-stock company having its registered seat in Bucharest, district 1, 239 Calea Dorobanți Street, 2<sup>nd</sup> floor, office/room 4,

(updated based on the Resolution of the Extraordinary General Meeting of Shareholders no. 1 dated 26.04.2018)

#### **The Founders of the SPHERA FRANCHISE GROUP S.A. Company:**

**Tatika Investments Ltd.**, a company established according to the laws of Cyprus, of Cypriot nationality, having its registered seat in Cyprus, Nicosia, 1 Evagorou & Menandrou Street, Frosia building, 3<sup>rd</sup> floor, postal code 1066 registered with the Trade Register under no. HE 101319;

**Wellkept Group S.A.**, a joint-stock company established according to the laws of Romania, of Romanian nationality, having its registered seat in Romania, Bucharest, district 1, 5-7 Calea Dorobanților Street, 2<sup>nd</sup> floor, office no. 5, registered with the Trade Register attached to Bucharest Tribunal under number J40/6207/2005, sole registration number 17438154;

**Lunic Franchising and Consulting Ltd.**, a company established according to the laws of Cyprus, of Cypriot nationality, having its registered seat at Riga Feraiou, no. 2, Limassol Center, unit B, 4<sup>th</sup> floor, Office 406, Lemesos, postal code 3095, Limassol, Cyprus, registered with the Trade Register under no. HE 80898;

**Anasa Properties S.R.L.**, a limited liability company established according to the laws of Romania, of Romanian nationality, having its registered seat in Romania, Bucharest, district 1, 239 Calea Dorobanților Street, room 1, 2<sup>nd</sup> floor, registered with the Trade Register attached to Bucharest Tribunal under number J40/8931/2013, sole registration number 32017990;

and

**M.B.L. Computers S.R.L.**, a limited liability company established according to the laws of Romania, of Romanian nationality, having its registered seat in Romania, Bucharest, district 2, 15 Fabrica de Glucoză Road, registered with the Trade Register attached to Bucharest Tribunal under number J40/6119/1991, sole registration number 1597064.

## **CHAPTER I**

### **General Provisions**

#### **Article 1. Name, company type, registered seat and duration**

- 1.1 The name of the company is Sphera Franchise Group S.A.. In the Articles of Association, Sphera Franchise Group S.A. shall be referred to as the '**Company**'.
- 1.2 The Company is a Romanian legal entity, organized and operating according to the Laws of Romania as a joint-stock company, for an unlimited duration.
- 1.3 Every invoice, offer, order, tariff, prospectus and any other documents issued by the Company and used for commercial activities shall contain the name of the company, its company type, registered seat, registration number in the Trade Register, sole registration number and the share capital subscribed and paid-up.

- 1.4 The registered seat of the Company is in Romania, Bucharest, district 1, 239 Calea Dorobanți Street, 2<sup>nd</sup> floor, office/room 4 and it may be moved to any other premises in Romania based on a decision of the Board of Directors.
- 1.5 Based on a decision of the Board of Directors, the Company may set up secondary offices without legal personality, such as subsidiaries, agencies, representative offices as well as branches with legal personality in Romania or abroad.

## **CHAPTER II**

### **Object of Activity of the Company**

#### **Article 2. Field of Activity**

- 2.1. The field of activity of the Company is Activities of head offices (**NACE Code 701**), and its main object of activity consists of head offices (**NACE Code 7010**).

#### **Article 3. Secondary and Auxiliary Activities**

- 3.1. The Company may conduct the following secondary activities:

**NACE Code 3311 – Repairing metal products**

**NACE Code 3312 – Repairing machinery**

**NACE Code 3314 – Repairing electric equipment**

**NACE Code 3319 – Repairing other equipment**

**NACE Code 3320 – Installing industrial machinery and equipment**

**NACE Code 4617 – Intermediation in trading food, beverages and tobacco**

**NACE Code 4619 - Intermediation in trading various products**

**NACE Code 4631 - Wholesale of fruits and vegetables**

**NACE Code 4632 - Wholesale of meat and meat products**

**NACE Code 4633 - Wholesale of dairy products, eggs, edible oils and fats**

**NACE Code 4636 - Wholesale of sugar, chocolate and sugar confectionery**

**NACE Code 4637 - Wholesale of coffee, tea, cocoa and spices**

**NACE Code 4638 - Wholesale of other food, including fish, crustaceans and molluscs**

**NACE Code 4639 - Non-specialized wholesale of food, beverages and tobacco**

**NACE Code 4941 - Road transport of goods**

**NACE Code 5210 - Depositors**

**NACE Code 5224 - Handling**

**NACE Code 5819 – Other publishing activities**

**NACE Code 5829 – Other software publishing**

**NACE Code 6201 – Computer programming activities (client-oriented software)**

**NACE Code 6202 – Computer consultancy activities**

**NACE Code 6203 – Computer facilities management activities (management and operation)**

**NACE Code 6209 – Other information technology and computer service activities**

**NACE Code 6311 – Data processing, hosting and related activities**

**NACE Code 6312 – Web portals**

**NACE Code 6399 – Other information service activities n.e.c.**

**NACE Code 6420 – Activities of holding companies**

**NACE Code 6492 – Other credit granting (intra-group)**

**NACE Code 6820 - Leasing and sub-leasing of own or leased real estate**

**NACE Code 6920 – Accounting, bookkeeping and auditing activities; tax consultancy (basic accounting)**

**NACE Code 7021 – Public relations and communication activities**

**NACE Code 7022 – Business and other management consultancy activities**

**NACE Code 7111 - Architectural activities**

**NACE Code 7112 - Engineering and related consultancy activities**

**NACE Code 7312 – Media representation**

**NACE Code 7320 – Market research and public opinion polling**

**NACE Code 7420 - Photographic activities**

**NACE Code 7490 – Other professional, scientific and technical activities n.e.c.**

**NACE Code 7711 - Renting and leasing services of light motor vehicles**

**NACE Code 7712 - Renting and leasing of heavy goods vehicles**

**NACE Code 7830 – Other human resources provision**

**NACE Code 8211 – Combined office administrative service activities**

**NACE Code 8219 - Photocopying, document preparation and other specialised office support activities**

**NACE Code 8220 – Activities of call centres**

**NACE Code 8299 - Other business support service activities n.e.c.**

**NACE Code 8532 - Secondary, technical or vocational education**

**NACE Code 8559 – Other education n.e.c.**

**NACE Code 8560 - Support services for educational purposes**

- 3.2. The Company may conduct any operations, provide services, sign agreements and make transactions with other entities and legal entities, provided that such operations, services, agreements and transactions be auxiliary to any of the fields of activity indicated at art. 2.1 and 3.1 above.

### **CHAPTER III**

#### **Share Capital, Shares and Bonds**

##### **Article 4. Share Capital and Shares**

- 4.1. The share capital of the Company amounts to RON 581,990,100, fully subscribed and paid-up as follows: (i) RON 1,500,000 paid up in cash, of which RON 1,090,050 represent the

contribution in RON and RON 409,950 represent the contribution in EUR of EUR 90,162.32 at an exchange rate of 4.5468 RON/EUR and (ii) RON 580,490,100 represent the contribution in kind, consisting of 379,999 shares issued by US Food Network S.A., a joint-stock company organized and operating according to the laws of Romania, having its registered seat in Bucharest district 1, 28-30 Gheorghe Magheru Blvd., registered with the Trade Register under no. J40/24660/1994, tax registration number 6645790 and 379,999 shares, issued by American Restaurant System S.A., a joint-stock company organized and operating according to the laws of Romania, having its registered seat in Bucharest district 1, 5-7 Calea Dorobanților Street, ground floor, unit C, D and terrace, room 79, registered with the Trade Register under no. J40/19307/1994, sole registration number 6331682.

As per the Evaluation Report prepared by Romanian Expert Consulting S.R.L., the value of the contribution in kind to the share capital, i.e. the value of those 379,999 shares issued by US Food Network S.A. was set at the amount of RON 519,704,310, and the value of those 379,999 shares issued by American Restaurant System S.A. was set at the amount of RON 60,785,790.

The 38,699,340 shares issued by the Company in exchange for the contributions in kind are assigned to the shareholders who made contributions in kind as follows:

(i) Tatika Investments LTD holds a total number of 10,576,530 shares as a result of its contribution in kind consisting of:

- a number of 103,854 shares issued by US Food Network S.A. evaluated at a total value of RON 142,035,195;

and

- a number of 103,854 shares issued by American Restaurant System S.A. evaluated at a total value of RON 16,612,755;

(ii) Lunic Franchising and Consulting Ltd. holds a total number of 8,645,433 shares as a result of its contribution in kind consisting of:

- a number of 84,891 shares issued by US Food Network S.A. evaluated at a total value of RON 116.101.950;

and

- a number of 84,891 shares issued by American Restaurant System S.A. evaluated at a total value of RON 13.579.545.

(iii) M.B.L. Computers SRL holds a total number of 8.900.848 shares as a result of its contribution in kind consisting of:

- a number of 87.400 shares issued by US Food Network S.A. evaluated at a total value of RON 119.531.985;

and

- a number of 87.400 shares issued by American Restaurant System S.A. evaluated at a total value of RON 13.980.735.

(iv) Anasa Properties SRL holds a total number of 4.253.057 shares as a result of its contribution in kind consisting of:

- a number of 41,774 shares issued by US Food Network S.A. evaluated at a total value of RON 57,115,500;

and

- a number of 41,774 shares issued by American Restaurant System S.A. evaluated at a total value of RON 6,680,355.
- (v) Wellkept Group SA holds a total number of 6,323,472 shares as a result of its contribution in kind consisting of:
- a number of 62,080 shares issued by US Food Network S.A. evaluated at a total value of RON 84,919,680;
  - and
  - a number of 62,080 shares issued by American Restaurant System S.A. evaluated at a total value of RON 9,932,400.
- 4.2. The share capital is divided into 38,799,340 shares with a nominal value of RON 15 /share.
- 4.3. The shares held by the shareholders of the Company and the structure of their contribution to the share capital are detailed in Annex 1 to these Articles of Association.
- 4.4. The shares issued by the Company are registered, ordinary, issued as dematerialized shares by registration into the register of shareholders; they have the same nominal value and grant equal rights to their owners.
- 4.5. Every share issued by the Company, paid up and owned by a shareholder (other than the Company) grants a right to vote in the general meetings of shareholders, except for the case when the shareholders decide that the Company is to issue preferential shares without the right to vote or in case the rights to vote related to certain shares are suspended.
- 4.6. The Company may issue preferential shares without right to vote.
- 4.7. Every owner of one or several shares issued by the Company shall be deemed to have adhered to the provisions herein.

**Article 5. Increase/ decrease of Share Capital**

- 5.1. The share capital of the Company may be increased by decision of the extraordinary general meeting of shareholders, as follows:
- 5.1.1. in exchange of some contributions made by the shareholders, in cash and/or in kind; and/or
  - 5.1.2. by incorporation of profit, premiums and reserves, except for legal reserves; and/or
  - 5.1.3. by compensation of certain receivables over the Company which are certain and outstanding as of the date of implementing the decision to increase the share capital.
- 5.2. Shares may not be issued for a value lower than their nominal value. In any way, the price of issued shares shall be equal or higher than their nominal value.
- 5.3. The general meeting of shareholders shall establish the number of new shares issued and the amount of the increase, and if necessary, for the implementation of the shareholders' decision, the Board of Directors, may be authorized by the extraordinary general meeting of shareholders to establish the other elements of the increase, such as: (i) the number of shares to be issued during every emission, in case of multiple emissions, (ii) the subscription price (including subscription premiums), (iii) the offer of unsubscribed shares during the exercise of their right of preference to the public, by certain investors or their cancelation, (iv) the period of offer, (v) the conclusion of contracts with consultants for the purpose of increasing the share capital. In addition, the Board of Directors approves the documentation prepared for the implementation of the share capital increase.

- 5.4. Should the Board of Directors acknowledge that, as a result of certain losses, established based on the annual financial statements approved according to the law, the value of the net asset of the Company, calculated as a difference between the total assets and total liabilities of the Company, has diminished to less than ½ of the subscribed share capital, it shall promptly convene the extraordinary general meeting of shareholders for the purpose to decide if the Company needs to be dissolved. Should the general meeting of shareholders vote against the dissolution, the same meeting of shareholders shall decide on the decrease or increase of the share capital according to the applicable legal regulations.
- 5.5. When the decrease of the share capital is due to losses, the share capital may only be reduced by reducing the number of shares issued or the nominal value of the shares; in this case it is forbidden to reduce the share capital by returning to shareholders a part of their contributions to the share capital or by total or partial exemption of shareholders of their due payments.
- 5.6. A decision concerning the decrease of the share capital shall clearly establish the reasons of the decrease and the procedure used for its implementation.

#### **Article 6. Register of Shareholders**

- 6.1. The shareholders' registry is kept by Depozitarul Central S.A..

#### **Article 7. Share Transfer**

- 7.1. The transfer of shares is made through the trading system of Bucharest Stock Exchange, the transactions being cleared and settled by Depozitarul Central S.A. or by direct transfer in the shareholders' registry kept by Depozitarul Central S.A., in accordance with applicable capital markets legislation.

#### **Article 8. Bonds**

- 8.1. The extraordinary general meeting of shareholders of the Company approves the issuance of bonds, together with the main elements of the emission and of the offer, such as: the maximum number of bonds issued, type (private or public) and the territorial coverage of the offer, types/structure of bonds offered, a maturity range and a range of interest rates, the admission of bonds for trading on a regular spot market or on a trading platform or system and other general features of the issue and offer.
- 8.2. The Board of Directors shall enforce the decision of the extraordinary general meeting of shareholders concerning the issuance of bonds within the limits established by the meeting and shall decide, based on the market conditions at the respective moment, *inter alia*, the nominal value, maturity, interest rate and offer period of the respective bonds.

### **CHAPTER IV**

#### **General Meetings of Shareholders**

#### **Article 9. Types of Shareholder Meetings; Responsibilities**

- 9.1. The management body of the Company is the general meeting of shareholders. The general meetings of shareholders are ordinary and extraordinary.
- 9.2. The ordinary general meeting of shareholders deliberates and makes decision concerning the following matters:
  - a) Approval or amendment of annual individual/consolidated financial statements of the Company, based on the reports submitted by the Board of Directors and by the financial auditor;

- b) Distribution of profit as dividends;
- c) Election and dismissal of members of the Board of Directors;
- d) Appointment and dismissal of the financial auditor of the Company; establishing the minimum duration of the financial audit contract;
- e) Establishing the remuneration of the members of the Board of Directors for the current financial year;
- f) Discharge from administration of the members of the Board of Directors concerning the activity carried out during the previous financial year;
- g) Approval of the budget of revenue and expenses and, if necessary, of the program of activity for the next financial year;
- h) Initiate the action whereby to hold accountable the members of the Board of Directors, managers and financial auditor and establish the attorney-in-fact who is to represent the Company before the competent courts of law.

9.3. The extraordinary general meeting of deliberates and makes decision concerning the following matters:

- a) Change of the type of the Company;
- b) Moving the registered seat of the Company abroad;
- c) Change of the main object of activity;
- d) Decrease of the share capital;
- e) Increase of the share capital;
- f) Merger with other companies or division of the Company – except for the situation when, according to the applicable legislation, the decision of shareholder is not required for this type of merger or division;
- g) Liquidation and dissolution of the Company;
- h) Issuance of bonds, in compliance with art. 8 herein, and conversion of a category of bonds into another category of bonds or into shares;
- i) Share conversion from one category to another;
- j) Purchase by the Company of its own shares, directly or indirectly, pursuant to the provisions of the applicable legislation, except for the situation where the Company purchases its own shares as a result of a corporate action, such as the exercise by shareholders of their right to withdraw from the Company, in the cases stipulated by the law;
- k) Admission of shares issued by The Company on a regulated stock market, on an alternative trading system, on a multilateral trading system or on an organized trading system;
- l) Prior approval of the principal terms and conditions of the legal acts concluded by the Board of Directors for and on behalf of the Company, for the acquisition, disposal, lease, exchange or encumbrance of the Company's assets, the book value of which exceeds 20% of the book value of the Company's assets on the date when the legal act is concluded by reference to the latest annual financial statements of the Company;

- m) Any acquisition or disposal of assets to and from the Company made by any of the members of the Board of Directors in their own name, if the individual value of such a legal deed exceeds the threshold of RON 4,000,000;
- n) Prior approval of the main terms and conditions of the legal acts concluded by the Board of Directors for and on behalf of the Company, for the acquisition, disposal, exchange or encumbrance of the Company's fixed assets, the book value of which exceeds, during one financial exercise, individually or cumulatively, 20% of the total fixed assets less receivables, as set out in the latest audited financial statements of the Company;
- n)<sup>1</sup> Prior approval of the main terms and conditions of any lease of tangible assets, for a period higher than 1 year, the book value of which exceeds, individually or cumulatively, for the same co-contractor or persons involved or persons acting in concert, 20% of the total fixed assets of the Company less receivables as set out in the latest audited financial statements of the Company;
- n)<sup>2</sup> Prior approval of the principal terms and conditions of any association for a period higher than 1 year, which implies values which exceeds, individually or cumulatively, 20% of the total fixed assets of the Company, less receivables as set out in the latest audited financial statements of the Company;
- o) Other issues included on the agenda of the meeting and which fall under the scope of the extraordinary general meeting of shareholders; and
- p) Any amendments to the Articles of Association, including the adoption of new Articles of Association, except for those amendments that may be adopted by the Board of Directors.

9.4. The following responsibilities are delegated to the Board of Directors:

- a) Change of the object of activity of the Company established under Art. 3 of the Articles of Association;
- b) Moving the registered seat to another venue in Romania;
- c) Setup, cancelation and modification of secondary offices without legal personality, such as subsidiaries, agencies, representative offices, as well as branches with legal personality in Romania and abroad.

#### **Article 10. Convening of the General Meeting**

- 10.1. The general meetings of shareholders are convened by the Board of Directors whenever necessary. The ordinary general meeting of shareholders shall meet at least once a year, within 4 months from the end of the previous financial year.
- 10.2. The general meeting of shareholders shall meet after the expiry of a deadline of at least 30 days from the publication of the convening notice in the Official Gazette of Romania, on the date indicated in the convening notice for the first or for the second date of convening, except for situations explicitly set forth in the applicable legislation.
- 10.3. The notice to attend the meeting, containing at least the information required by law, shall be published in the Official Gazette of Romania, Part IV, in a daily newspaper of large circulation and on the webpage of the Company. In the case of Company shares admitted for trading on the Bucharest Stock Exchange, the notice to attend shall be communicated to the Financial Supervisory Authority and to the Bucharest Stock Exchange as well as be made public according to the legislation on capital market.



- 10.4. One or several shareholders representing at least 5% of the share capital may submit a written request to the Board of Directors requesting that new points be added on the agenda, within 15 days from the publication of the notice to attend in the Official Gazette.
- 10.5. In case the request to add new points to the agenda complies with the legal requirements, the Board of Directors shall republish the notice to attend updated according to Art. 10.3 above, at least 10 days prior to the meeting date established in the notice to attend.
- 10.6. The Board of Directors shall promptly call the general meeting of shareholders, upon the demand of shareholders representing, individually or together, at least 5% of the share capital, if the request to add new points contains matters that fall under the scope of the general meeting of shareholders. In this case, the general meeting of shareholders shall meet within 60 days from the date of registration of the request with the Company.
- 10.7. No decisions may be adopted concerning matters that were not included on the agenda indicated in the notice to attend, except for the situation when all the shareholders of the Company are present or represented and none of them opposed or challenged the respective decision.

#### **Article 11. Access to Information Concerning a General Meeting of Shareholders**

- 11.1. The Company shall provide materials for every point on the agenda of the general meeting of shareholders at least 30 days prior to a meeting at the registered seat of the Company and by publishing them on the webpage of the Company.
- 11.2. Every shareholder may submit written questions to the Board of Directors in relation to the points on the agenda of the meeting prior to the date of the meeting and such questions shall be answered during the meeting. The Board of Directors may decide to publish the responses to the shareholders' questions on the webpage of the Company in the 'Frequently Asked Questions' section.
- 11.3. Should the agenda of the ordinary general meeting of shareholders include the election of the members of the Board of Directors, the Company must provide information on the name, domicile and professional qualification of the persons proposed as candidates for the position of members of the Board of Directors and this list may be supplemented by the shareholders until maximum 15 days prior to the date of the meeting in first convening.
- 11.4. When the agenda of the meeting contains proposals for the amendment of the Articles of Association, the notice to attend shall include the full text of the respective proposals. The Articles of Association may be rewritten, in which case the notice to attend shall include the full text of the rewritten Articles of Association proposed to the meeting for approval.

#### **Article 12. Preliminary Formalities for the Exercise of the Right to Vote within the General Meeting of Shareholders**

- 12.1. Only the shareholders registered in the register of shareholders of the Company as of the reference date established by the Board of Directors shall be entitled to participate and vote at the general meeting of shareholders.
- 12.2. The shareholders indicated in Art. 12.1 may participate to the general meeting of shareholders in person (through legal representative, in the case of legal entities) or through an attorney-in-fact, based on a power of attorney, according to the applicable legislation and to the procedure established by the Company in the notice to attend. The power of attorney shall be submitted by the shareholder that intends to participate through attorney-in-fact at the Company at least 2 business days prior to the first date of the convening of the general meeting of shareholders indicated in the notice to attend. The

- shareholders and their attorneys-at-law shall produce identification documents and powers of attorney, if any, in order to be able to participate in the general meeting of shareholders.
- 12.3. On the date, at the venue and time indicated in the notice to attend to the general meeting of shareholders, the chairman of the Board of Directors, acting as chairman of the general meeting of shareholders ('**Chairman**'), shall open the meeting, after acknowledging the compliance with the formalities of convening and of the requirements concerning the quorum. The chairman shall chair the general meeting of shareholders. In the absence of the Chairman, the meeting shall be opened and chaired by a member of the Board of Directors mandated by the president of the Board of Directors.
  - 12.4. The chairman may designate among the Company staff one or more technical secretaries who shall be in charge of: (i) drafting the minutes concerning the quorum and the compliance with all legal and statutory formalities for holding the general meeting of shareholders and (ii) participating in all the activities carried out by the secretary of the meeting.
  - 12.5. The general meeting of shareholders shall designate among the shareholders present or their attorneys-at-law as secretary in charge of checking the attendance list of the shareholders, the part of the share capital represented by each shareholder, the minutes drafted by the technical secretaries and the compliance with all the formalities required by the law and by the Articles of Association in order to hold the general meeting of shareholders, then proceed to debating on every issue on the agenda.
  - 12.6. If on the date of the first convening, the minimum quorum is not reached in maximum 30 minutes from the time indicated in the notice to attend, the meeting shall be held at the second convening on the date, time and venue and with the agenda indicated in the notice to attend published.
  - 12.7. The voting procedure shall comply with the applicable legislation.
  - 12.8. The members of the Board of Directors shall participate in the general meeting of shareholders without the right to vote, unless they are shareholders of the Company as of the reference date of the respective meeting.
  - 12.9. The decisions of the general meeting of shareholders shall be adopted by open vote, except for the following situations when the shareholders' vote shall be secret: appointment and dismissal of the members of the Board of Directors, appointment and dismissal of the financial auditors of the Company, making decisions regarding the responsibility of the members of the management, administration and control bodies of the Company.

### **Article 13. Quorum and Majority**

- 13.1. The general quorum and majority requirements for general shareholders meetings of the Company, at the first and second convening, are as follows:
  - a) For the ordinary general shareholders meeting at the first convening: the meeting is legally convened if the shareholders present, represented and voting by correspondence represent at least 70% of the total number of votes and the resolutions are adopted with 2/3 of the total votes held by the shareholders present, represented and voting by correspondence;
  - b) For the ordinary general shareholders meeting at the second convening: the meeting is legally convened regardless of the number of shareholders present, represented and voting by correspondence and the resolutions are adopted with majority (50% plus 1)

- of the votes expressed by the shareholders present, represented and voting by correspondence;
- c) For the extraordinary general shareholders meeting at the first convening: the meeting is legally convened if the shareholders present, represented and voting by correspondence represent at least 70% of the total number of voting rights and the resolutions are adopted with votes representing at least 2/3 of the total votes held by the shareholders present, represented and voting by correspondence;
  - d) For the extraordinary general shareholders meeting at the second convening: the meeting is legally convened if the shareholders present, represented and voting by correspondence represent at least 70% of the total number of voting rights and the resolutions are adopted with votes representing at least 2/3 of the total votes held by the shareholders present, represented and voting by correspondence.
- 13.2. Special quorum and majority requirements for the general shareholders meeting of the Company:
- a) In case of limitation or suspension of the Company's shareholders' preference rights in the context of a share capital increase:
    - ✓ A quorum of at least 85% of the subscribed share capital and a majority of at least 75% of the total voting rights;
  - b) In case of share capital increase by increasing the nominal value of the shares, other than by incorporating reserves, benefits or premiums:
    - ✓ Unanimity;
- 13.3. The special quorum or majority requirements set out in Article 13.2 a) and b) apply only as long as they are required by applicable law.
- 13.4. Where there are voting rights whose exercise is suspended, the voting rights in question shall not be taken into account when determining the quorum/majority or the basis of calculation, respectively all the voting rights.

**Article 14. Formalities subsequent to the exercise of the right to vote in the general meeting of shareholders**

- 14.1. The secretary or secretaries (if any) of the general meeting of shareholders shall draft the minutes of the meeting, which is signed by the Chairman and the secretary/secretaries of the meeting. The minutes shall indicate the fulfilment of the formalities related to the convening, date and place of the general meeting of shareholders, the shareholders present in person or by attorney-in-fact, the number of shares held by the shareholders present in person or by attorney-in-fact, the shareholders who exercise their right to vote by correspondence, the summary of the debates and the decisions adopted and, at the shareholders' request, the declarations they made during the meeting. All the documents concerning the convening of the general meeting of shareholders and the list of attendance of the shareholders shall be enclosed with the minutes.
- 14.2. The minutes shall be registered in the register of general meetings of shareholders.
- 14.3. The decisions adopted by the general meeting of shareholders according to the law and to these Articles of Association shall be mandatory and legally binding upon the shareholders who failed to attend the meeting/to vote or who voted against.

**CHAPTER V**

## BOARD OF DIRECTORS

### Article 15. Organization

15.1. The Company is managed in a one tier system, by a Board of Directors composed of 7 (seven) members appointed by the ordinary general shareholders meeting, out of which 2 (two) are independent members, for a mandate of maximum 4 years, with the possibility of re-election for subsequent 4 year mandates, except for the first members of the Board of Directors, who are appointed for a mandate of 2 years.

15.2. The members of the Board of Directors are:

15.2.1 **Bairaktaris Stylianos**, a [REDACTED] citizen, resident in [REDACTED], born on [REDACTED], in [REDACTED], having the address in [REDACTED], identified by [REDACTED], series [REDACTED], no. [REDACTED], issued by the [REDACTED] on [REDACTED], valid until [REDACTED], personal identification number [REDACTED], appointed for a mandate of 2 years which expires on 16.05.2019;

15.2.2 **Hilton Mark Nicholas**, a [REDACTED] citizen, born on [REDACTED], in [REDACTED], with declared domicile in [REDACTED], identified by [REDACTED] series [REDACTED], no. [REDACTED], issued by [REDACTED] on [REDACTED] and valid until [REDACTED], appointed for a mandate of 2 years which expires on 16.05.2019;

15.2.3 **Cârmaciu Silviu-Gabriel**, a [REDACTED] citizen, born on [REDACTED], in [REDACTED], having his domicile in [REDACTED], identified by [REDACTED] series [REDACTED] no. [REDACTED], issued by [REDACTED] on [REDACTED], valid until [REDACTED], personal identification number [REDACTED], appointed for a mandate of 2 years which expires on 16.05.2019;

15.2.4 **Osiac Cristian**, a [REDACTED] citizen, born on [REDACTED], in [REDACTED], having his domicile in [REDACTED], identified by [REDACTED] series [REDACTED], issued by [REDACTED] on [REDACTED], valid until [REDACTED], personal identification number [REDACTED], appointed for a mandate of 2 years which expires on 16.05.2019;

15.2.5 **Nasta Ion Marius**, a [REDACTED] citizen, born on [REDACTED], in [REDACTED] having his domicile in [REDACTED], identified by [REDACTED], series [REDACTED], issued by Bucharest, valid from [REDACTED] until [REDACTED], personal identification number [REDACTED], appointed for a mandate of 2 years which expires on 16.05.2019;

15.2.6 [to be filled in with identification details as a result of the election of the BoD member], [REDACTED] citizen, born in [REDACTED] on [REDACTED], with domicile in [REDACTED], identified by [REDACTED] series [REDACTED], issued on [REDACTED] and valid until [REDACTED], having CNP [REDACTED] appointed as independent member for a mandate which expires on 05.10.2019;

15.2.7 **Mitzalis Konstantinos**, a [REDACTED] citizen, born on [REDACTED] in the [REDACTED], having domicile in [REDACTED], identified by [REDACTED] no. [REDACTED], issued by the [REDACTED] on [REDACTED], valid until [REDACTED], personal identification number [REDACTED], appointed as independent member for a mandate of 2 years which expires on 05.10.2019.

- 15.3. The members of the Board of Directors may be Romanian or foreign citizens, natural persons or legal entities. Most of the members of the Board of Directors are non-executive directors of the Company.
- 15.4. The Candidates for the positions of members of the Board of Directors may be designated by the shareholders irrespective of their participation to the share capital or by the current members of the Board of Directors.
- 15.5. Every member of the Board of Directors shall sign with the Company, represented by the person designated by the shareholders, an administration agreement for the duration of their mandate as members of the Board of Directors, which shall stipulate the rights, obligations and responsibilities of that member in relation to the Company and the remuneration received for that position.
- 15.6. In case of a vacancy, the Board of Directors shall designate a temporary member for a mandate to start on the date of his/her designation and end on the date when the general meeting of shareholders of the Company will decide to designate a member of the Board of Directors. In this case, the remaining members of the Board of Directors shall convene as soon as possible a general meeting including on the agenda the designation of a new member of the Board of Directors. In case the number of existing members decreases at any time below 3, the remaining members shall urgently convene a general meeting having on the agenda the election of members of the Board of Directors.
- 15.7. The chairman and vice-chairman of the Board of Directors shall be elected by the Board of Directors among the members of the Board of Directors.
- 15.8. The chairman of the Board of Directors is Mr. Osiac Cristian.
- 15.9. The chairman of the Board of Directors has the following responsibilities:
  - a) Coordinates the activity of the Board of Directors and reports about this activity to the general meeting of shareholders;
  - b) Supervises the operation of the corporate bodies of the Company;
  - c) Calls the meetings of the Board of Directors, sets the agenda, supervises the appropriate transmission of information to the members of the Board of Directors concerning the points on the agenda of the meetings and chairs the meetings;
  - d) Any other duties and responsibilities set forth in the Rules of organization and operation of the Board of Directors.
- 15.10. Should the Chairman of the Board of Directors be unable to fulfil his/her duties and responsibilities towards the Company, these duties and responsibilities shall be taken over temporarily by the vice-president of the Board of Directors. Should the vice-president be unable to fulfil these duties and responsibilities, the Board of Directors shall decide who takes them over temporarily until the vice-president or Chairman is able to resume the fulfilment of these duties and responsibilities.

## **Article 16. Operation**

- 16.1. The Board of Directors shall meet periodically, upon the call of the chairman of the Board of Directors at least once every 3 months. The notice to attend the meetings shall be sent to the members of the Board of Directors seven (7) calendar days prior to the date proposed for a periodical meeting.
- 16.2. Whenever necessary, special meetings of the Board of Directors may be called by the chairman of the Board of Directors at his/her own discretion or upon the proposal of at

least two (2) members of the Board of Directors or of the General Manager, in every case at least two (2) calendar days prior to the date of the meeting.

- 16.3. The notices to attend the meetings of the Board of Directors shall be sent in writing, by fax, registered letter or e-mail, in every case accompanied by acknowledgement of receipt and shall include the date, time and venue of the meeting as well as the agenda proposed and the relevant materials and any other relevant documents that the chairman of the Board of Directors deems necessary for the meeting, in the first or second notice to attend. The meeting of the Board of Directors may be held at any time, without any notice to attend, if all the members of the Board of Directors are present or if the members who are not present explicitly waive, in writing, their request to receive the notice to attend the meeting.
- 16.4. The Board of Directors may hold meetings by phone, video conference or by correspondence. The content of the minutes after such a meeting held by phone, video conference or by correspondence must be confirmed in writing by all the members of the Board of Directors who attended the meeting.
- 16.5. The meeting of the Board of Directors is duly met if there are at least 4 (four) members of the Board of Directors present or represented and the decisions made by the favourable vote of the majority of the members of the Board of Directors present or represented at the meeting. In case of equal votes, the vote of the chairman of the Board of Directors shall be decisive.
- 16.6. The members of the Board of Directors may only be represented at the meetings of the Board of Directors by other members of the Board of Directors mandated based on a special power of attorney. A member present at the meeting may represent one absent member only.
- 16.7. Minutes are drafted at every meeting of the Board of Directors, containing participants' names, agenda, discussions on the agenda, decisions made, voting process and any other separate opinion. Minutes are registered in the register of the meetings of the Board of Directors and are signed by the chairman of the Board of Directors or by the person who chaired the meeting and by at least one other member of the Board of Directors and by the secretary of the meeting.

#### **Article 17. Competences and Tasks**

- 17.1 The Board of Directors is responsible for the fulfilment of all the actions useful and necessary in order to achieve the object of activity of the Company, including in relation to the management of potential branches or investments of the Company, except for responsibilities that are assigned by law to the general meetings of shareholders.
- 17.2 The management of the Company is delegated by the Board of Directors to the General Manager of the Company. In case the Board of Directors appoints other managers, apart from the General Manager, certain responsibilities may be delegated to those managers. The delineation of responsibilities between the Board of Directors and the General Manager and the managers of the Company, including the competence thresholds for the legal acts to be made by the Company, shall be included in the Rules of organization and operation of the Board of Directors or shall be established by decisions of the Board of Directors.
- 17.3 The Board of Directors has the following responsibilities which may not be delegated to the General Manger or to other managers:
  - (a) Sets the main directions of activity and development of the Company;

- (b) Sets the accounting policies and financial control system and approves the financial planning;
  - (c) Appoints and dismisses the General Manager and, if necessary, the managers of the Company, sets their competences and responsibilities, supervises their activity and decides on the amount of their remuneration;
  - (d) Prepares the annual report approves the annual and intermediate individual/consolidated financial statements of the Company, prepares the business plan and the revenue and expense budget for the coming year, organizes the general meetings of shareholders and enforces the decisions adopted by the general meetings of shareholders;
  - (e) Introduces the demand for the initiation of the insolvency procedure against the Company;
  - (f) Fulfils the responsibilities delegated to the Board of Directors by the general meeting of shareholders, as set forth in Art. 9.4 of these Articles of Association;
  - (g) Makes decisions concerning the creation and closure of secondary offices of the Company, which do not have legal personality, in Romania or abroad or dismisses the managers of such secondary offices;
  - (h) Approves the Rules of organization and operation of the Board of Directors;
  - (i) Represents the Company in its relations with the General Manager and with the managers of the Company, if any.
- 17.4 The members of the Board of Directors are jointly liable before the Company for:
- (a) The accuracy of money paid up by the shareholders of the Company;
  - (b) The actual existence of paid dividends;
  - (c) The existence of registers required by the law and the accurate keeping thereof;
  - (d) The accurate enforcement of the decisions of the general meeting of shareholders;
  - (e) The strict fulfilment of the duties and responsibilities imposed on them by the law and by these Articles of Association.
- 17.5 The Board of Directors sets up consultative committees, which make recommendations to the Board of Directors.

## **Chapter VI**

### **General Manager**

#### **Article 18. Structure, Competences and Responsibilities**

- 18.1 The Board of Directors appoints the General Manager for a period of 4 years, except for the first general manager whose first mandate shall be of 2 years, he/she shall fulfil the responsibilities and duties specific to the position.
- 18.2 The first General Manager, whose mandate starts as of the creation date of the Company and ends two years of this date, is:

**Mark Nicholas Hilton**, a British citizen, born on 05.12.1964, in Bangor, with declared domicile in Great Britain, identified by passport series GBR, no. 520138834, issued by IPS on 17.03.2014 and valid until 17.12.2024.

- 18.3 The Board of Directors may change the management structure and decides through regulations or resolutions concerning the competences and responsibilities of the General Manager and of the other managers appointed in the Company, if any.
- 18.4 The General Manager concludes a mandate agreement for the period of his/her office with the Company, represented by a non-executive member of the Board of Directors designated by decision of the Board of Directors. This agreement shall include the rights, obligations and duties of the manager as well as the remuneration corresponding to this position.
- 18.5 The General Manager shall be responsible for the daily performance of the activity of the Company within the limits established by the decision of the Board of Directors, by the provisions of these Articles of Association and by the applicable legislation.
- 18.6 The General Manager has the obligation to submit to the Board of Directors regular and comprehensive reports on the activity of the directors and on the management plans as well as on any issues concerning the organization and functioning of the Company, identified by the General Manager during the fulfilment of his/her responsibilities.
- 18.7 The General Manager has the obligation to provide the Board of Directors with any document or information as requested by the Board of Directors which is connected to the management of the Company.
- 18.8 The Board of Directors may at any time dismiss the General Manager of the Company. The dismissal shall be justified in situations where the General Manager, inter alia: (i) does not fulfil his/her competences and responsibilities assigned within the limits set by the Board of Directors; (ii) does not fulfil the tasks assigned by the Board of Directors; (iii) does not manage the Company in good faith and in the interest of the Company; (iv) does not observe the restrictions applicable in case of conflicts of interests.
- 18.9 Upon the initiative of the Board of Directors, other managers may be appointed besides the General Manager, in this case, the provisions of art. 18.1 - 18.8 shall apply to all managers appointed by the Board of Directors.

#### **Article 19. Representation Powers**

- 19.1 In relation to third parties, the Company shall be represented and committed by the General Manager's signature – unique signature.  
In case the Board of Directors appoints other managers as well, the Company shall be represented and committed by the unique signature of either of the managers delegated by the Board of Directors.  
The power to represent the Company may be transferred based on a power of attorney issued by the person who has the representation power.
- 19.2 All the persons having a right to represent the Company in relation to third parties shall be registered with the Trade Register.

### **CHAPTER VII**

#### **Conduct**

#### **Article 20. Conduct**

- 20.1 The members of the Board of Directors, the General Manager, the managers, if any and all the employees of the Company shall be obliged to keep confidential all confidential information concerning the activities and operations of the Company, as required by the applicable legislation and by the contracts concluded by the members of the Board of Directors, the General Manager and by other managers of the Company.



- 20.2 The members of the Board of Directors and the General Managers and the managers, if any, shall have the obligation of diligence and loyalty towards the Company. These obligations shall be fulfilled in the interest of the shareholders of the Company who act as stakeholders in the Company.

## **CHAPTER VIII**

### **Financial Control**

#### **Article 21. Financial Auditors**

- 21.1 The financial auditor of the Company is ERNST & YOUNG ASSURANCE SERVICES S.R.L., a Romanian legal entity, based in Bucharest, 15-17 Ion Mihalache Blvd., district 1, Bucharest Tower Center building, 21<sup>st</sup> floor, registered with the Trade Register attached to the Bucharest Tribunal under no. J40/5964/1999, sole registration number 11909783, holder of license no. 77 of 15.08.2001 issued by the Chamber of Auditors in Romania.
- 21.2 The agreement for financial audit service provision shall contain, inter alia, provisions concerning the financial auditor's obligation to audit the financial statements of the Company and to submit the audit report for every set of financial statements that the Company has the obligation to prepare on the occasion of the ordinary general meeting of shareholders, to shareholders, on an annual basis.

#### **Article 22. Financial Year and Financial Statements**

- 22.1 The financial year of the Company starts on 1 January and ends on 31 December of every calendar year.
- 22.2 The Company shall keep its accounting records expressed in RON (Romanian Lei) and shall prepare its financial statements in line with the applicable law.

## **CHAPTER VIII**

### **Miscellaneous**

#### **Article 23. Corporate Restructuring**

- 23.1 Any merger, dissolution, division and liquidation of the Company shall be carried out in line with the applicable law.

#### **Article 24. Participation to Profit and Loss**

- 24.1 The shareholders registered in the Register of Company Shareholders as of the relevant date established according to the applicable legislation shall participate to the profit and loss incurred by the Company proportionate with their participation to the share capital of the Company.

#### **Article 25. Dissolution and Liquidation**

- 25.1 Any dissolution and liquidation of the Company shall be carried out according to the applicable legislation.

#### **Article 26. Expenses relating to Company Setup**

- 26.1 The expenses relating to the setup of the Company are estimated to amount to approximately RON 100,000.

**CHAIRMAN OF THE BOARD OF DIRECTORS**

**CRISTIAN OSIAC** \_\_\_\_\_

**Annex 1**  
**Company Shareholders and Structure of the Share capital**

Shareholder	Number of shares owned	Contribution to the share capital (RON)	Holding compared to the total number of votes/ share capital	Participation to profit and loss rate
<b>Tatika Investments Ltd.</b>	10,603,860	<b>159,057,900</b> (representing EUR 90,162.32 at an exchange rate of 4.5468 RON/EUR contribution in cash and RON 158,647,950 contribution in kind)	27.33%	27.33%
<b>M.B.L. Computers S.R.L.</b>	8,923,848	<b>133,857,720</b> (representing RON 345,000 contribution in cash and RON 133,512,720 contribution in kind)	23%	23%
<b>Lunic Franchising and Consulting Ltd.</b>	8,667,773	<b>130,016,595</b> (representing RON 335,100 contribution in cash and RON 129,681,495 contribution in kind)	22.34%	22.34%
<b>Wellkept Group S.A.</b>	6,339,812	<b>95,097,180</b> (representing RON 245,100 contribution in cash and RON 94,852,080 contribution in kind)	16.34%	16.34%
<b>Anasa Properties S.R.L.</b>	4,264,047	<b>63,960,705</b> (representing RON 164,850 contribution in cash and RON 63,795,855 contribution in kind)	10.99%	10.99%
<b>TOTAL</b>	<b>38,799,340</b>	<b>581,990,100.00</b>	<b>100%</b>	<b>100%</b>