

Articles of Association

of

ZOOT a.s.

as of 20 December 2017

First Section

Basic Provisions

Article 1

Establishment and Incorporation of Company and Its Legal Form

1. ZOOT a.s., Identification No. 282 06 592 (“Company”) was established on 10 December 2007 by its registration in the Commercial Register, now maintained by the Municipal Court in Prague. The Company’s website: www.zoot.cz.
2. Legal form of the Company: joint-stock company.

Article 2

Business Name and Registered Office of Company

1. The business name of the Company is **ZOOT a.s.**
2. The municipality in which the registered office of the Company is located is Prague.

Article 3

Scope of Business of Company

The scope of the Company’s business is:

- Production, trade and services not listed in Annexes 1 through 3 of the Trade Licensing Act; and
- Lease of real estate, apartments and non-residential premises.

Article 4

Registered Capital of Company

The registered capital of the Company is CZK 2,334,000 (in words: two million three hundred thirty-four thousand Czech crowns).

Article 5

Change in Registered Capital

1. An increase or decrease in the registered capital will be decided by the General Meeting, or an increase in the registered capital will be decided by the Board of Directors, pursuant to Act No. 90/2012 Sb., on Business Companies and Cooperatives (Act on Business Corporations) (“Act on Business Corporations”), and these Articles of Association.
2. The registered capital of the Company may be increased in all manners as permitted by the Act on Business Corporations. When increasing or decreasing the registered capital, the Company complies with provisions of the Act on Business Corporations.

Article 6

Shares of Company

1. The Company's registered capital is divided into 2,334,000 (in words: two million three hundred and thirty-four thousand) common registered certificated shares, each with a nominal value of CZK 1 (in words: one Czech crown).
2. Shares of the Company are certificated registered securities. Transfer of the shares is subject to the prior consent of the Supervisory Board, as stipulated in Article 23 (11) (r) hereof.

Article 7

Global Share Certificate

1. The Company may issue shares as global share certificate(s) substituting for individual shares ("Global Share Certificate"). One global share certificate substituting for shares may substitute for shares of the same kind and with the same nominal value. A shareholder is entitled to request that the Company exchange a global share certificate for individual shares or for other global share certificates, or a combination these, or request that individual shares be exchanged for global share certificates, or a global share certificate, or a combination of these, provided the shareholder has sufficiently specified the number and requisites of the shares or global share certificates and delivered the originals of the original shares or global share certificate(s) to the Company.
2. The Company is obligated to issue to the holder of a global share certificate the individual shares substituted by such global share certificate, according to the following rules:
 - a) The exchange of a global share certificate for individual shares, or for individual shares and another global share certificate(s), and/or for several global share certificates, is arranged for by the Board of Directors upon written request of the shareholder specifying the requested exchange, so that the Board of Directors is obligated, in compliance with the requirements of the shareholder and the Articles of Association of the Company, to issue and exchange the individual shares or global share certificates as requested by the shareholder within 30 (thirty) days from the delivery date of the written request of the shareholder;
 - b) The exchange of shares takes place at the registered office of the Company and the shareholder is obligated to arrive to the registered office of the Company for this purpose and upon request of the Board of Directors.
3. When exchanging individual shares for a global share certificate(s) or when exchanging several global share certificates for another global share certificate, or for a combination of global share certificates and individual shares, the Company proceeds accordingly pursuant to rules as set forth in the previous paragraph.
4. The Board of Directors maintains records of the issued individual shares and global share certificates and the completed exchanges of individual shares and global share certificates.

Article 8

Issuance of Bonds and Option Notes

1. Based on a resolution of the General Meeting, the Company may issue bonds to include the right of their exchange for shares of the Company ("convertible bonds") or the priority right of subscription for shares of the Company ("priority bonds"); priority bonds may only be issued if the Company concurrently decides about a conditional increase in the registered capital. The manner of issuance of the bonds is governed by generally binding regulations and is subject to approval by a competent government authority pursuant to such regulations.
2. The Company may issue an option note to exercise the priority right to shares or bonds.
3. Rights and duties connected with any share that has not yet been paid up may be attached to an interim certificate, which the Company may issue for that purpose.

Article 9
Rights and Duties of Shareholders, List of Shareholders

1. Shareholders have rights and duties as stipulated by the Act on Business Corporations and these Articles of Association.
2. Pursuant to the Act on Business Corporations and these Articles of Association, the Company maintains a list of shareholders. In addition to requisites as prescribed by the Act on Business Corporations, the Company registers in the list of shareholders a shareholder's e-mail address intended for delivery and notices upon his/her/its request.

Second Section

Company Bodies

First Part

Structure of Company Bodies

Article 10

1. The Company has a dualistic internal structure system.
2. The bodies of the Company are as follows:
 - (a) General Meeting;
 - (b) Board of Directors;
 - (c) Supervisory Board; and
 - (d) Audit Committee.

Second Part

General Meeting

Article 11

Position and Convocation of General Meeting

1. The General Meeting is the supreme body of the Company.
2. The General Meeting must be convened at least once in an accounting period. The regular financial statements, however, must be discussed by the General Meeting no later than 6 (six) months from the last day of the previous accounting period.

Article 12

Powers of General Meeting

1. Powers of the General Meeting include the following:
 - a) Decisions on an amendment to the Articles of Association, unless this is a change resulting from an increase in the registered capital by the authorized Board of Directors or a change resulting from other legal facts;
 - b) Decisions on a change in the amount of the registered capital and on the authorization of the Board of Directors to increase the registered capital;
 - c) Decisions on a possibility to set off a monetary receivable *vis-à-vis* the Company against a receivable for payment of the issue price;
 - d) Decisions on issuance of convertible or priority bonds;
 - e) Appointment and recall of a member of the Supervisory Board;

- f) Approval of regular, extraordinary or consolidated financial statements as well as interim financial statements where required by another legal regulation;
 - g) Decisions on the distribution of profit or other corporate funds, or on the coverage of losses;
 - h) Decisions on applying for acceptance of the Company's participation securities for trading on a European regulated market or their delisting from trading on a European regulated market;
 - i) Decision on the wind-up of the Company by means of liquidation;
 - j) Appointment and recall of a liquidator;
 - k) Approval of a petition for distribution of a liquidation balance;
 - l) Approval of transfer or pledge of the enterprise ("enterprise") or such part thereof, the transfer of which would imply a material change in the existing structure of the enterprise or the scope of the business or activities of the Company;
 - m) Decisions on the emphyteutic lease of the Company's enterprise or a part thereof constituting an independent organizational unit;
 - n) Approval of the provision of an advance payment, loan or credit by the Company to acquire its participation interests or the provision of security by the Company for these purposes ("financial assistance");
 - o) Approval of an agreement on silent partnership, including approval of any changes thereto or its cancellation;
 - p) Decisions on the creation of funds and their cancellation;
 - q) Approval of granting and recall of a general proxy;
 - r) Approval of an agreement on performance of office of members of the Supervisory Board;
 - s) Appointment and recall of members of the Audit Committee and approval of agreements on performance of office of members of the Audit Committee, including any changes thereof;
 - t) Other decisions as entrusted within powers of the General Meeting by the Act on Business Corporations or another law or the Articles of Association.
2. The General Meeting may not reserve to make decisions in cases not entrusted within its powers by law or the Articles of Association.

Article 13

Convocation of General Meeting

1. The General Meeting is convened by the Board of Directors at least once in an accounting period to be held no later than 30 June (thirtieth of June) of each year. The Act on Business Corporations provides for other cases in which the General Meeting must be convened and cases in which the General Meeting is convened by a member of the Board of Directors, by the Supervisory Board or by a member of the Supervisory Board, as well as for the requisites of an invitation to the General Meeting.
2. The convener convenes the General Meeting by an invitation to the General Meeting, posted on the website of the Company at least 30 (in words: thirty) days before such General Meeting and, concurrently, sends the invitation to shareholders to their mailing addresses as included in the list of shareholders or to their e-mail addresses, if such addresses are included in the list of shareholders. An invitation to the General Meeting must remain posted on the website of the Company until the date of the respective General Meeting.
3. The Act on Business Corporations governs convocation of the General Meeting on the basis of a request by a qualified shareholder(s).
4. Without meeting the requirements for convocation of the General Meeting, as set forth by law and these Articles of Association, the General Meeting may only be held if all shareholders so agree.
5. The General Meeting may also be held in cases where it is not convened by an invitation delivered to all shareholders of the Company and duly published on the website of the Company, but solely on proviso that the General Meeting is attended by all shareholders having waived their right to the General Meeting being convened in the manner and at the venue as prescribed by the Act on Business Corporations.

Article 14
Quorum of General Meeting and Substitute General Meeting

1. The General Meeting constitutes a *quorum*, i.e. is able to adopt decisions, if the present shareholders hold shares the number of which exceeds 91% of the registered capital of the Company.
2. For purposes of the General Meeting's *quorum*, the shares and interim certificates are not taken into account to which no voting right is attached, or if the voting right is impossible to exercise pursuant to the Act on Business Corporations or these Articles of Association.
3. If the General Meeting does not constitute a *quorum*, if still needed, the convener will convene a substitute General Meeting having the same agenda without any undue delay so that such General Meeting takes place within 6 (in words: six) weeks, at the latest, from the day on which the original General Meeting was to be held.
4. A substitute General Meeting must have an unchanged agenda and constitutes a *quorum* irrespective of the provision of paragraph 1.
5. The deadline for sending invitations will be reduced to 15 (in words: fifteen) days and the invitation need not include any relevant information about the subject of each matter included in the agenda of the General Meeting. A substitute General Meeting constitutes a *quorum* irrespective of the provision of paragraph 1.

Article 15
Participation in General Meeting

1. A shareholder may participate in the General Meeting either personally or through a proxy. A written Power of Attorney must indicate whether it has been granted for representing such a shareholder at one or more General Meetings.
2. With respect to the present shareholders, the Company will register the name and residential address or the registered office of the present shareholders in the attendance list and, if a shareholder is represented, the Company will also register the name and residential address or registered office of such a representative, the number of shares, the nominal value of the shares authorizing the respective shareholder to vote, or the information that the respective shares do not authorize the shareholder to vote. If the registration of any person in the attendance list is refused by the Company, such refusal will be recorded in the attendance list, including the reason for such refusal. The convener or a person designated by the convener will confirm the correctness of the attendance list by his/her signature.

Article 16
Course of General Meeting

1. The General Meeting elects its Chairman, minute taker and verifier of the minutes and a person or persons authorized to count votes; the General Meeting may decide that the Chairman of the General Meeting and the verifier of the minutes will be the same person and that the Chairman of the General Meeting also counts the votes.
2. The course of the General Meeting is presided over by the Chairman of the General Meeting. Until the Chairman of the General Meeting is elected, the course of the General Meeting is presided over by the convener or a person designated by the convener. This also applies if the Chairman of the General Meeting is not elected. If no one is elected to perform any of the above offices, the convener will determine such a person.
3. The person presiding over the General Meeting is obligated to preside over it so that the shareholders at the General Meeting are able to duly exercise their right to participate in the management of the Company by exercising their rights, with the content and manner of exercising these being stipulated by law, namely the voting right, right to an explanation, right to submit proposals and counter-proposals. The right of the Board of Directors, or the person having convened the General Meeting, to fully or partially refuse an explanation and the right of a shareholder to request that the

Supervisory Board determine the obligation of the Board of Directors to provide such shareholder with an explanation are governed by law.

4. The General Meeting may adopt the rules of procedure, under which it stipulates in detail the manner of its acting. Provisions of the rules of procedure must not be in conflict with law or these Articles of Association.

5. Minutes of the General Meeting will be prepared by the minute taker within 15 (in words: fifteen) days from the day on which the General Meeting ended. The form and content of the minutes of the General Meeting and any attachment(s) thereto are governed by the Act on Business Corporations.

Article 17 **Decision Making of General Meeting**

1. One vote is attached to each share. The exercise of the voting right is not limited by the determination of the highest number of votes of one shareholder.

2. Shareholders vote by raising a voting card indicating the number of votes pertaining to the respective shareholder. The General Meeting may adopt the Rules of Voting specifying in detail the manner of voting.

3. The General Meeting adopts its decisions by the 91% (in words: ninety-one per cent) majority of votes of the present shareholders, unless the Act on Business Corporations or another law require a different majority.

4. Adopting decisions outside the General Meeting *per rollam* is permitted. The decisive majority in such cases is counted from the total number of votes of all shareholders. Cumulative voting is not permitted.

5. First, any proposals by a shareholder are voted on. If a proposal is not approved, other proposals and counter-proposals are voted on in the order in which they have been submitted. Once a proposal is approved, no counter-proposal or other proposals regarding the same matter will be voted on.

6. Matters that are not included in the agenda of the General Meeting may only be discussed or decided at such a meeting if all shareholders so agree. Matters that are not included in the proposed agenda of the General Meeting may only be decided at a substitute General Meeting if all shareholders so agree.

Third Part

Board of Directors

Article 18 **Role and Powers of Board of Directors**

1. The Board of Directors is a statutory body of the Company. The Board of Directors has all powers that are not entrusted to the General Meeting or the Supervisory Board by law or these Articles of Association.

2. The Board of Directors is particularly entitled to manage the Company's business.

3. The Board of Directors also provides for the maintenance of accounting, submits ordinary, extraordinary, consolidated and, where appropriate, interim financial statements to the General Meeting for approval and also submits a proposal for profit distribution or coverage of losses in compliance with the Articles of Association.

4. The Board of Directors will convene the General Meeting without any undue delay if it ascertains that the total loss of the Company has, based on relevant financial statements, reached an amount which, if paid from available funds of the Company, would result in the unpaid loss amounting to one half of the registered capital, or if the above may be expected given all circumstances or due to another serious reason, and will propose to the General Meeting the winding-up of the Company or adoption of another appropriate measure.

5. Before the conclusion of an agreement under which the Company is to acquire or alienate assets, if the amount of the acquired or alienated assets during one accounting period exceeds one third of the equity according to the most recent financial statements, or consolidated financial statements where these are prepared by the Company, the Board of Directors will request the consent of the Supervisory Board with the conclusion of such an agreement, unless this is a disposition made in the ordinary course of business, as proposed or under the supervision of a state authority, or at a stock exchange or another public market.

Article 19

Number of Board of Directors Members and Their Term of Office

1. The Board of Directors is a collective body; it has 3 (in words: three) members. A member of the Board of Directors performs his/her office in person, but may, in individual cases, empower another member of the Board of Directors to vote on his/her behalf in his/her absence.
2. Members of the Board of Directors are elected and recalled by the Supervisory Board.
3. The Board of Directors elects and recalls the Chairman and Vice-Chairman of the Board of Directors.
4. The term of office of each member of the Board of Directors is 5 (in words: five) years. Reelection of the same person is possible.
5. If a member of the Board of Directors passes away, resigns from office, is recalled or his/her office is otherwise terminated, the General Meeting will elect a new member of the Board of Directors within 2 (in words: two) months.
6. A member of the Board of Directors may resign from office. However, he/she may not do so at a time that is inconvenient for the Company. The resigning member of the Board of Directors will deliver his/her written resignation to the Board of Directors or communicate this fact in person at a meeting of the Board of Directors. If the written notice does not indicate the termination date of the office, his/her office terminates on the date of the next meeting of the Board of Directors, which is to discuss such termination of office. If the resignation is communicated in person at a meeting of the Board of Directors, the office terminates on the date specified by the resigning member of the Board of Directors. If the Board of Directors does not confirm this date as the termination date of the office, the office will terminate upon elapsing of 2 (in words: two) months from the meeting of the Board of Directors.
7. The Board of Directors having no less than one half of its members may appoint substitute members of the Board of Directors to act until the next General Meeting. The term of office of such a substitute member of the Board of Directors is not included in the term of office of a member of the Board of Directors.

Article 20

Rights and Duties of Members of Board of Directors

1. Rights and duties of members of the Board of Directors and consequences of any breach of duties as well as the rules of conduct of members of the Board of Directors and rules of conflict of interest and non-competition are defined by these Articles of Association, the Civil Code and the Act on Business Corporations.
2. Rights and duties between the Company and a member of the Board of Directors are governed accordingly by provisions of the Civil Code on a mandate, unless it ensues otherwise from the Act on Business Corporations or an agreement on performance of office, if concluded.
3. An agreement on performance of office must be made in writing and must be approved by the Supervisory Board, including any changes thereto. Provisions of the Act on Business Corporations apply to its conclusion and content.
4. Each member of the Board of Directors is obligated to maintain confidentiality with respect to facts having the nature of a business secret of the Company and protect these facts from being abused by

third persons. The General Meeting may release a member of the Board of Directors from this duty in its full extent or partially.

Article 21

Meeting and Decisions of Board of Directors

1. The Board of Directors decides on matters of the Company as a body at a meeting of the Board of Directors. Meetings of the Board of Directors take place as necessary, no less than four times a year.
2. A meeting of the Board of Directors is convened by its Chairman by a written invitation specifying the venue, date and time of the meeting and its agenda, provided that the requirement for a written form of an invitation is also met if an invitation is sent by electronic (e-mail) or other technical means allowing to capture its content and determine the sender and the recipient.
3. Written records are made on the course of a Board of Directors' meeting and the adopted decisions, such records to be signed by the Chairman of the Board of Directors and a minute taker as appointed by the Board of Directors. Minutes of a meeting of the Board of Directors must specify how each of the Board of Directors' members voted on the proposed decisions. Unless there is evidence to the contrary, members not named in the minutes are deemed to have voted for the adoption of the respective decision. If a decision is adopted, any member of the Board of Directors having opposed the proposed decision may request that his/her differing opinion be recorded. If a decision was adopted while any of the Board of Directors' members was absent, such member is entitled to be informed about the content of the decision.
4. The Board of Directors constitutes a *quorum* if more than one half of its members attend or are otherwise represented at a meeting. The Board of Directors adopts each decision by a simple majority of votes of the attending members. When voting, each member has one vote. In case of equality of votes, the Chairman of the Board of Directors, or the Vice-Chairman of the Board of Directors in the Chairman's absence, has the casting vote.
5. Provided all members of the Board of Directors so agree, the Board of Directors may also adopt decisions outside a meeting in writing or using technical means. However, all of the Board of Directors' members must provide their statement regarding a proposed decision in such cases.
6. A decision adopted outside a meeting must be recorded in the minutes of the next meeting of the Board of Directors.
7. Any and all organizational arrangements connected with adoption of decisions outside a meeting of the Board of Directors are made by the Chairman of the Board of Directors.

Fourth Part

Supervisory Board

Article 22

Role and Powers of Supervisory Board

1. The Supervisory Board supervises over the exercise of powers by the Board of Directors and the activities of the Company.
2. A member of the Board of Directors is authorized to inspect all documents and records relating to activities of the Company and check whether or not accounting records are duly maintained in accordance with reality and whether or not the Company conducts its business in line with legal regulations, the Articles of Association and instructions of the General Meeting. The Board of Directors informs the General Meeting about results of its supervisory activities.
3. The Board of Directors reviews the regular, extraordinary and consolidated, as well as interim financial statements, as the case may be, and a proposal for profit distribution or coverage of losses and submits its statement to the General Meeting.

4. The Supervisory Board convenes the General Meeting if so stipulated by law or if so required by interests of the Company, and proposes any necessary measures at the General Meeting.
5. A member of the Supervisory Board represents the Company in proceedings before courts and other bodies against a member of the Board of Directors.
6. The Supervisory Board approves agreements pursuant to Article 18 (5) of these Articles of Association.

Article 23

Number of Supervisory Board Members and Their Term of Office

1. The Supervisory Board is a collective body having 4 (in words: four) members. Members of the Supervisory Board may not be members of the Board of Directors, general proxy holders or persons authorized to act on behalf of the Company according to the entry in the Commercial Register. A member of the Supervisory Board performs his/her office in person, but may, in individual cases, empower another member of the Supervisory Board to vote on his/her behalf in his/her absence.
2. Members of the Supervisory Board are elected and recalled by the General Meeting.
3. The Supervisory Board elects and recalls the Chairman of the Supervisory Board and the Vice-Chairman of the Supervisory Board. The person being elected does not vote in that election.
4. The term of office of each Supervisory Board member is 5 (in words: five) years. Reelection of a member of the Supervisory Board is possible.
5. If a member of the Supervisory Board passes away, resigns from office or his/her office is otherwise terminated, the General Meeting will elect a new member of the Board of Directors within 2 (in words: two) months.
6. A member of the Supervisory Board may resign from office. However, he/she may not do so at a time that is inconvenient for the Company. The resigning member of the Supervisory Board will deliver his/her written resignation notice to the Supervisory Board or will provide the information in person at a meeting of the Supervisory Board. If the written resignation notice does not specify the termination date of the office, his/her office terminates on the date of the next meeting of the Supervisory Board at which such resignation is to be discussed. If the resignation is communicated in person at a meeting of the Supervisory Board, the office terminates on the date specified by the resigning Supervisory Board member. If the Supervisory Board does not confirm such a date as the termination date of the office, the office will terminate upon elapsing of 2 (two) months from the date of the Supervisory Board meeting.
7. The office of a member of the Supervisory Board also terminates by election of a new member of the Supervisory Board, unless something else ensues from a decision of the General Meeting.
8. Restricted issues as specified in Article 23 (10) of these Articles of Association are entrusted within powers of the Supervisory Board. Approval and implementation of restricted issues as specified in Article 23 (10) of these Articles of Association by the Board of Directors require the prior consent of the Supervisory Board in all cases.
9. Adoption of a decision by the Supervisory Board regarding restricted issues as specified in Article 23 (10) of these Articles of Association requires the consenting vote of the Vice-Chairman of the Supervisory Board in all cases.
10. Restricted issues pursuant to Article 23 (8) and (9) of these Articles of Association are as follows:
 - a) Establishment and dissolution of companies or enterprises and acquisition and sale of participations in other companies, conclusion, change and termination of a shareholder agreement for the same reason, which exceed the relevant approved annual budget;
 - b) Conclusion, change and termination of any agreement or any arrangement with or to the benefit of any member of the Board of Directors, key employee, current shareholder or any other person having any affiliation with these, except for agreements or arrangements approved in the relevant annual budget and/or approved benefits provided to current shareholders and key employees, including conclusion, change or termination of any service agreements/manager agreements/employment agreements with key employees;

- c) Conclusion and change of any transactions between affiliated persons/entities, including shareholder loans and similar transactions;
- d) Provision of security, guarantees or loans and issuance of debenture bonds, transfer or encumbrance of all assets of the Company or their substantial part (in any event outside the customary transaction of business) in an amount exceeding EUR 30,000 (meaning the net book value in case of assets);
- e) Any transaction relating to domains owned or used by the Company;
- f) Any and all borrowings or accepted loans, operating leases or finance leases exceeding EUR 30,000 (save for loans as agreed in the annual business plan and/or benefits or perks provided to current shareholders and key employees);
- g) Acceptance of any acquisition or investment loans or loans for consumption by the Company in an amount exceeding EUR 500,000, save for loans or loans for consumption accepted for purposes of working capital and/or acquisitions or investments in new technologies for purposes of the Company's core business (such as logistics and transport, Try&Buy stores);
- h) Any bank guarantees, documentary credits for loans, bills of exchange, promissory notes or other off-balance sheet items, save for instruments securing goods;
- i) Loss of any intellectual property right, conclusion, application for or termination of any patent, license, know-how or agreement on cooperation regarding intellectual property (save for license transactions as part of the provision of goods or services to end customers and as part of the customary transaction of business);
- j) Initiation of any dispute significant for the Company, save for disputes to enforce receivables in the ordinary course of the Company's business;
- k) Appointment or recall of the Company's auditor;
- l) Appointment of, entering into or termination of an employment relationship with any key employee of the Company or his/her transfer to another position within the ZOOT Group (save for the Chief Executive Officer(s)) other than proposed by current shareholders;
- m) Appointment and recall of members of the Company's Board of Directors, including the conclusion, change to or termination of an agreement on performance of office or any other agreement or other arrangement relating to a member of the Company's Board of Directors;
- n) Any change in the employee motivation program for acquisition of the Company's shares by employees, such as the right to subscription for shares by employees or another similar employee motivation program;
- o) Any increase in an employee's wages or another component of employee remuneration, including an increase in the bonus (other than agreed in the annual business plan) by more than EUR 15,000 a year;
- p) Approval of the annual budget and the business plan of the Company or any of its subsidiaries;
- q) Change in acting and rules of meetings of the Board of Directors according to the Articles of Association;
- r) A change in the ownership of share(s) of the Company or a change in the list of the Company's shareholders.

11. Consenting votes of all members of the Supervisory Board are required for adoption of any decisions on matters regarding the provision of security, guarantees or loans as well as issuance of debenture bonds, transfer or encumbrance of all assets of the Company or their substantial part (in any event outside the customary transaction of business) in an amount exceeding EUR 1,000,000 (meaning the net book value in case of assets) or of decisions on a matter specified in Article 23 (10) (g) of these Articles of Association.

Article 24

Rights and Duties of Members of Supervisory Board

Article 20 of the Articles of Association shall apply accordingly to rights and duties of a member of the Supervisory Board.

Article 25
Meetings and Decisions of Supervisory Board

The Supervisory Board meets at least twice a year. Article 21 of the Articles of Association shall apply accordingly to meetings and decisions of the Supervisory Board. The Chairman of the Supervisory Board has the casting vote in case of equality of votes when decisions are adopted by the Supervisory Board.

Fifth Part

Audit Committee

Article 26
Role and Powers of Audit Committee

1. The Audit Committee in particular:
 - a) Monitors the effectiveness of internal controls, the risk management system;
 - b) Monitors the effectiveness of the internal audit and its functional independence, provided any internal audit function has been established;
 - c) Monitors the process of compilation of financial statements and consolidated financial statements and submits its recommendations to the Board of Directors or the Supervisory Board in order to ensure the integrity of the system of accounting and financial records;
 - d) Makes a duly reasoned recommendation of an auditor to the Supervisory Board;
 - e) Assesses the independence of a statutory auditor or auditing firm and the provision of non-auditing services by the statutory auditor or auditing firm;
 - f) Monitors the process of a mandatory audit;
 - g) Informs the Supervisory Board about results of a mandatory audit and observations made when monitoring the mandatory audit process;
 - h) Submits to the General Meeting, the Board of Directors and the Supervisory Board its statements, recommendations, proposals and results of its activities within the scope of its powers;
 - i) Prepares an annual report on its activities and, where required by law, provides such a report to the Council for Public Supervision over Audit;
 - j) Fulfils other duties as stipulated by legal regulations.
2. The Audit Committee is authorized to inspect any documents and records relating to the Company within the extent as necessary for the conduct of its activities.

Article 27
Composition, Appointment and Term of Office of Audit Committee

1. The Audit Committee has three members.
2. The term of office of the individual Audit Committee members is five years. Reelection of a member of the Audit Committee is possible.
3. A member of the Audit Committee may resign from office by a written resignation letter delivered to the Audit Committee. However, he/she may not do so at a time that is inconvenient for the Company. The office of a resigning Audit Committee member terminates one month from the delivery of the resignation letter to the Audit Committee, unless the Audit Committee approves a different termination date of the office upon request of the resigning member.
4. The Audit Committee elects the Chairman out of its members. If the Chairman is not elected by the members of the Audit Committee, he/she will be elected by the Supervisory Board.
5. Only a person meeting conditions as stipulated in Sec. 152 *et seq.* of the Civil Code, Sec. 46 of the Act on Business Corporations and Sec. 44 of Act No. 93/2009 Sb., on Auditors, as amended, may be a member of the Audit Committee.

6. A member of the Audit Committee performs his/her office in person; however, this does not prevent him/her from empowering, in individual cases, another member of the Audit Committee to vote on his/her behalf in his/her absence. Such empowerment has to be evidenced by a written Power of Attorney with an officially certified signature of the grantor, unless all of the other members of the Audit Committee agree with another form of a power of attorney.
7. The list of the Audit Committee members is published on the website of the Company.

Article 28

Convocation and Meetings of Audit Committee

1. The Audit Committee meets as necessary, but no less than once a year.
2. Meetings of the Audit Committee are convened by its Chairman. The Chairman will convene a meeting of the Audit Committee at any time when so requested by a member of the Audit Committee, the Supervisory Board, the Board of Directors, or shareholder(s) having the majority of votes based on their shareholding in the Company.
3. The manner of convocation of a meeting of the Audit Committee, the requisites of an invitation, the course of a meeting and the requisites of the minutes of a meeting of the Audit Committee may be provided for in greater detail in the Audit Committee's rules of procedure.

Article 29

Decisions of Audit Committee

1. The Audit Committee constitutes a *quorum* if more than one half of its members are present at a meeting.
2. The Audit Committee adopts resolutions on all matters discussed by it by an absolute majority of all members of the Audit Committee.
3. Provided all members of the Audit Committee so agree, the Audit Committee may also adopt decisions outside a meeting using technical means of communication. The Audit Committee adopts such a decision by an absolute majority of all members of the Audit Committee. The consent to adopt decisions outside a meeting must specify the manner and rules of the decision-making and a list of all matters to be so decided. The manner and rules of the decision-making may also be specified in the rules of procedure of the Audit Committee. A decision adopted outside a meeting must be recorded in the minutes of the next meeting of the Audit Committee. Any and all organizational arrangements connected with adoption of decisions outside a meeting of the Audit Committee are made by the Chairman of the Audit Committee.

Article 30

Duties of Audit Committee Members

1. Members of the Audit Committee are obligated to perform their office while maintaining confidentiality with respect to any confidential information and facts disclosure of which to third parties could cause damage to the Company, and while keeping the business secrets of the Company. This shall in no way affect authorizations of the Audit Committee members as arising out of the powers of this body of the Company.
2. An Audit Committee member is obligated to observe the rules for conflicts of interest as stipulated in Sec. 54 *et seq.* of the Act on Business Corporations, as well as the prohibition of competition within the same extent as members of the Company's Supervisory Board.
3. Audit Committee members are liable to the Company within the extent and under conditions as stipulated by generally binding legal regulations for any damage caused as a result of their breach of duties in the performance of their office. If damage is caused in this manner by more members of the Audit Committee, such members are liable for it jointly and severally.

Third Section

Other Provisions

Article 31 Representation of Company

1. The Chairman of the Board of Directors or the Vice-Chairman of the Board of Directors of the Company each represent the Company in all matters independently.
2. The Chairman of the Board of Directors or the Vice-Chairman of the Board of Directors perform and sign any written legal acts for the Company by attaching their respective signature to the business name of the Company.

Article 32 Distribution of Profit and Coverage of Losses

1. A share in profit is determined on the basis of regular or extraordinary financial statements as approved by the General Meeting. The General Meeting shall decide on the distribution of profit or coverage of losses.
2. The Company is not allowed to distribute any profit or any other of its funds, or make advance payments towards these, if this resulted in the Company's bankruptcy under another legal regulation. An advance towards a share in profit may only be paid according to the rules stipulated by law and solely based on interim financial statements showing that the business corporation has sufficient funds to distribute profit.
3. A share in profit may also be distributed to members of the Company's bodies, or to employees or a silent partner, if the Company has these.

Article 33 Financial Assistance

The Company may provide financial assistance subject to fulfillment of conditions as stipulated by the Act on Business Corporations.

Article 34 Special Reserve Funds

1. If the Company posts any treasury shares under assets in the balance sheet, it shall create a special reserve fund in the same amount. The Company will cancel or reduce the special reserve fund if it has alienated the treasury shares completely or in part or if it has used them to decrease the registered capital. The Company is not entitled to use the special reserve fund in any way other than stipulated in the second sentence.
2. If the Company provides any financial assistance, a special reserve fund shall be created in the amount of any assistance so provided. The provision of para 1, second and third sentences, will apply accordingly.

Article 35 Winding Up and Dissolution of Company

1. The Company is wound up:
 - a) By a decision of the General Meeting on the wind-up with liquidation;
 - b) By a decision of a court on the wind-up of the Company with ordered liquidation;
 - c) Without liquidation, if the Company is wound up as part of company transformation;

- d) Without liquidation by cancellation of bankruptcy as a result of the compliance with the resolution to distribute the estate, or cancellation of bankruptcy due to assets being completely insufficient;
- 2. The Company ceases to exist as of the date of its deletion from the Commercial Register.

Fourth Section

Final Provisions

Article 36

The Company fully submits to the legal regulation in force since 1 January 2014, namely the legal regulations in the Act on Business Corporations and the Civil Code. The Company submits to the Act on Business Corporations as a whole; however, provisions of these Articles of Association prevail over non-mandatory provisions of the said Act.