

BY - LAWS

OF JOINT STOCK COMPANY
VALMIERAS STIKLA ŠĶIEDRA

NEW REDACTION

APPROVED

on February 25, 2022, by the resolution of the extraordinary Shareholder meeting of JSC Valmieras stikla šķiedra (Minutes no 1 (2022))
With amendments which are approved on June 27, 2023, by the resolution of the annual Shareholder meeting of JSC Valmieras stikla šķiedra (Minutes no 1 (2023))



**VALMIERA[®]
GLASS**

1. Company name

The name of the company is Joint Stock Company Valmieras stikla šķiedra

2. Legal status

JSC Valmieras stikla šķiedra (hereafter the "Company") is established as a result of the privatisation of the state glass fibre plant Valmiera in accordance with direction no 456-r of 18th of October, 1994, by Cabinet of Ministers, with resolution no 15 of 7th of February, 1995, by the Board of the state Joint Stock Company Privatizācijas aģentūra (hereafter Privatisation Agency), and with the privatisation terms for the state glass fibre plant Valmiera, approved by resolution no 57/735 of 9th of April, 1996, (hereafter Privatisation Terms), by reorganising the state company into a Joint Stock Company and emitting stocks simultaneously.

3. According to the Statistical Classification of Economic Activities (NACE 2nd revision), the Company's main types of commercial business are:

- 1) manufacture of textiles (13);
- 2) preparation and spinning of textile fibres (13.10);
- 3) weaving of textiles (13.20);
- 4) finishing of textiles (13.30);
- 5) manufacture of other technical and industrial textiles (13.96);
- 6) manufacture of other textiles. (13.99);
- 7) manufacture of glass and glass products (23.1);
- 8) manufacture of glass fibres (23.14);
- 9) steam and air conditioning supply (35.30);
- 10) water collection, treatment, and supply (36.0);
- 11) sewerage (37.0);
- 12) wholesale of textiles (46.41);
- 13) buying and selling of own real estate (68.10);
- 14) renting and operating of own or leased real estate (68.20).

4. Fixed capital and types of shares

The fixed share capital of the Company is **EUR 2 417 261.20** (two million four hundred seventeen thousand two hundred sixty-one euro and 20 cents).

The fixed capital of the JSC shall consist of **24 172 612** (twenty-four million one hundred seventy-two thousand six hundred twelve) dematerialized shares.

The nominal value of a single share shall be EUR 0.10 (ten cents).

All the shares of the same category confer identical rights to receive dividends and liquidation quotas and to have voting rights at the general shareholder meeting.

With amendments which are approved on June 27, 2023, by resolution of the annual Shareholder meeting of JSC Valmieras stikla šķiedra (Minutes no 1 (2023))

5. Competence of the shareholders' meeting

The shareholders' meeting is entitled to make a decision provided that at least three quarters of the Company's paid fixed capital with voting rights is represented at the meeting.

6. Information to be provided to the shareholders' meeting

It is the responsibility of the board to inform the shareholders' meeting at the shareholders' request about the economic situation of the Company to the extent necessary and for evaluating the respective issues on the agenda and adopting an objective resolution.

The board can refuse to provide information concerning the Company's trade secrets and other information which is deemed commercially sensitive by the Board and/or Supervisory Council.

7. Supervisory council

The supervisory council of the Company consists of five supervisory council members.

The board requires the approval of the supervisory council when resolving on important issues. Such important issues are considered to be:

- 1) acquiring participation in other companies, increase or decrease of the same;
- 2) purchase, sale of businesses or the suspension of their activities;
- 3) acquisition, expropriation of real estate, and / or its encumbrance with property law, including property rights and renting and / or lease of land;
- 4) opening or closing of branches and representation offices;
- 5) conclusion of such transactions that exceed the amount fixed by the By-Laws, resolutions of the shareholders' meeting, or the supervisory council;
- 6) granting of loans unconnected with the regular commercial operations of the Company;
- 7) interruption of existing types of business;
- 8) approval of the business plan, including turnover, investments, finance / cost plan and personnel budget for the following financial year, and / or approval of its' amendments, forecast of profit and losses and balance sheet forecast;
- 9) conclusion of, amendments to, or termination of agreements concerning the sale or purchasing of licences, patents, trademarks, or know-how;
- 10) entering into other financial obligations (such as leasing of cars, equipment, other assets) which in aggregate create liabilities of more than EUR 200,000 (two hundred thousand) and / or for a period of more than 2 years (excluding advance payments to suppliers and leasing deals carried out in the course of the approved annual budget or / and investment plan);
- 11) Precious metals rentals, purchases or issue of guarantees in excess of the annual budgeted amount by a value of more than 10%;
- 12) sale or disposal of precious metals by the Company;
- 13) approval of investments which in aggregate exceed a value of EUR 100,000 (one hundred thousand) unless already approved in the annual budget plan, provided the annual budget plan is maintained within 5% of the budget;
- 14) sale of machines or equipment with a value in aggregate above EUR 100, 000 (one hundred thousand);
- 15) other transactions which are not carried out in the ordinary course of business and are not included in the annual budget, and/or exceed the delegation of authority within the Company as approved by the supervisory council.

The supervisory council is entitled to adopt resolutions if more than half of its' members participate at the meeting. In case there are fewer supervisory council members elected than prescribed by the By-Laws, the quorum shall be determined referring to the prescribed number of supervisory council members in the By-laws. The supervisory council adopts its' resolutions with a simple majority of votes. If the votes divide similarly, the vote of the chairman of the supervisory council is decisive.

8. Board of directors

The minimum amount of Board members is 3 (three).

The Company is represented by at least 2 (two) board members together.

The Management board is entitled to adopt resolutions if more than half of its' members participate at the meeting.

The Management board adopts its' resolutions with a simple majority of votes. If the votes divide similarly, the vote of the chairman of the Management board is decisive.

The board is elected for a term not longer than 3 (three) years.

In case, if a board member vacates his/her position (or has been dismissed), the board member appointed to fill the position is appointed for a term not to exceed the remaining term of the previous board member.

9. Discontinued operations

When distributing the remaining property of the Company in case of its' liquidation, pay-out to the shareholders may be performed in the form of money and property.

Chairman of Board of Directors Stefan Jugel

Member of Board of Directors Mārtiņš Blaus

Chairman of the shareholders meeting Ģirts Apsītis

Secretary of the shareholders meeting Edijs Vaikuls

Authorised representative of shareholders Stefan Jugel

Signed with the secure electronic signature and contains time stamp.

