

[According to last amendment, August, 29, 2019]

**IMAGINARIUM, S.A.**  
**ARTICLES OF ASSOCIATIONS**

**Title I. Establishment- Corporate Name – Object- Registered Office –Term**

**Article 1. - Establishment – Corporate Name**

The society is hereby established under the corporate name "IMAGINARIUM, S.A."

**Article 2. - Object**

The Company in its activities shall pursue the following object:

- a) The manufacturing, distribution, representation, commercialization even e-commerce trading, toys warehousing, children's decoration objects, toys, stationery products, desktop items, gifts, ornaments, household goods, clothing, accessories, sports, pool and beach products, camping, marketing, and health and care products.
- b) The ownership, management and administration of establishments and stores either owned, or under a franchise agreement, or other formulas such as virtual stores or any other form of business collaboration in which the items referred in the previous paragraph are sold.
- c) The import and export, on its own behalf or third parties behalf, of any of the products referred in the previous epigraphs.
- d) The care, promotion, assistance and treatment of the children through management of daycare centers owned or by the means of any agreement with public or private entities. Hairdressing services.
- e) The provision of services especially designed for children through studies, research, courses, conferences, publications, exhibitions and other cultural, sportive and leisure activities.
- f) The distribution, commercialization, assignment, production, import, export, purchase and sale of industrial and intellectual property rights, as well as their reproduction and exploitation in any medium and type of material suitable for dissemination.

- g) The organization and exploitation of concerts, musical events and public or private shows intended for children, as well as their dissemination in all types of audiovisual systems.
- h) The recording, production and edition of image and sound through discs, cassettes, CDs, DVDs or any other type of digital support.
- i) Mediation in the sale of tickets for public or private shows.
- j) Mediation in the sale of tickets or reservation of seats in all kinds of means of transport, as well as in the reservations of rooms and services in tourist companies.
- k) Acting as representative of national or foreign travel agencies for the provision on their behalf and to the clientele of these, of the services that constitute the proper object of their activity.
- l) The completion of all activities inherent to the publishing business understood in its broadest sense and, especially, the edition, marketing, and distribution of all kinds of publications and the provision of editorial, cultural, educational and leisure services.
- m) The development of activities and the provision of telecommunications, information and communication services; in particular, activities related to the Internet and other networks, including activities of access, production, distribution and / or exhibition of own or third-party contents, portal activities, ecommerce activities and the exploitation of the distinctive signs of the Company.

Excluded from this object are all those activities for the exercise of which any law requires special requirements that are not fulfilled by this Company. If any law requires for the exercise of all or some of the expressed activities any professional title, or administrative authorization, or registration in Public Registries, or, in general, any other requirements, such activities may not be initiated before the administrative requirements have been completed and, where appropriate, must be developed by means of a person or persons holding the required degree.

The Company may carry out the activities forming part of the corporate purpose, specified in the preceding paragraphs, completely or in part, indirectly or through the ownership of shares and / or interests in companies with identical or similar purposes.

### **Article 3. - Registered Office**

The Company is domiciled in Zaragoza, Plataforma Logística de Zaragoza, calle Osca, 4.

The Board of Directors is the body empowered to create, remove or move agencies, local offices and subsidiaries, anywhere in Spain and abroad, as well as to arrange the transfer of the registered office within the national territory.

#### **Article 4. - Term**

The term of the Company is indefinite.

### **Title II. Share Capital and Shares**

#### **Article 5. - Share Capital and Shares**

The company's share capital amounts to TWELVE MILLION, ONE HUNDRED FORTY EIGHT THOUSAND, FIVE HUNDRED TWENTY FIVE EURO AND TWENTY SIX CENTS (€ 12.148.525,26 €), represented by four hundred and four million, nine hundred and fifty thousand and eight hundred and forty-two shares, numbers 1 to 404.950.842, both inclusive, of THREE EURO CENTS (€ 0.03) of face value each, fully subscribed and paid.

All of the shares belong to a single class and series and confer on the holder the same rights and obligations.

#### **Article 6. - Representation of shares**

1. The shares will be represented by the means of book entries. The person who appears legitimated in the entries of the Accounting Register shall be presumed as a legitimate titleholder and may demand that the Company recognize him as a shareholder.

2. If the person who appears legitimated in the entries of the accounting record has such legitimacy by virtue of a fiduciary or other similar title, the Company may require him to reveal the identity of the real owners of the shares, as well as the acts of transfer and lien on them.

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

##### **Free transfer of shares**

The shares and economic rights arising from them, including the right of preferential subscription, are freely transferable by all means admitted by Law.

##### **Transmissions in case of change of control**

The shareholder that receives, from a shareholder or from a third party, an offer to purchase its shares by virtue of which, due to its formulation conditions, the characteristics of the acquirer and other concurring circumstances, it can reasonably deduce that it is intended to attribute the acquirer a shareholding greater than 50% of the share capital, it may only transmit shares that determine the acquirer exceeds the aforementioned percentage if the potential acquirer credits him / her having offered all the shareholders the purchase of their shares in the same terms and conditions

#### **Article 8. - Shareholder Condition**

The share confers to its legitimate holder the condition of shareholder, and implies full and total compliance with the provisions of these Articles of Association and the resolutions validly adopted by the governing bodies of the Company, at the same time that empowers it to exercise the inherent rights to its condition, in accordance with these Statutes and the Law.

#### **Article 9. - Capital Calls**

Capital calls must be disbursed in the established term, within the legal limits, by the Board of Directors.

In case of delay in the payment of the capital calls, the effects foreseen in the Law shall occur with respect to the delinquent shareholder.

In the event of share transfer with outstanding capital calls, the purchaser will be jointly and severally liable for payment with all the transferors that precede it. The responsibility of the transferors will last three years from the date of the respective transmission.

#### **Article 10. - Shares Joint Ownership**

Shares are indivisible. The co-owners of an action are jointly and severally liable before the Company for any obligations arising from their status as shareholders, and must designate a single person to exercise on their behalf the rights inherent to their status as shareholders.

The same rule will be applied to the other cases of co-ownership of rights over the shares.

#### **Article 11. - Usufruct, Pledge or Seizure of Shares**

In the case of usufruct of shares, the status of shareholder resides in the bare owner, but the usufructuary will be entitled in any case to the dividends agreed by the

Company during the usufruct. The usufructuary is forced to provide the owner with the exercise of these rights.

The relations between the usufructuary and the bare owner shall be governed by what is determined by the constitutive title of the usufruct; otherwise, the provisions of the Law on Capital Companies, and, additionally, the Civil Code.

In case of pledge or seizure of shares, the provisions of the Capital Companies Act shall be observed.

### **Article 12. - Shares Without Vote**

The Company may issue shares without the right to vote for a nominal amount not exceeding half of the paid-in capital stock, in accordance with the applicable regulations.

Holders of non-voting shares shall be entitled to receive a minimum annual dividend of 5% of the paid-in capital for each non-voting share, as well as the other rights established by the Capital Companies Law. Once the minimum dividend has been agreed upon, the holders of non-voting shares will be entitled to the same dividend corresponding to the ordinary shares.

### **Article 13. - Notice of significant shareholding and private shareholders Agreements**

#### **Significant Shareholding**

Shareholders shall be required to report to the Company any acquisition or transfer of shares, for any reason that determines that their total share, directly and indirectly, reaches, exceeds or decreases, respectively above or below 10% of the share capital or its successive multiples.

If the shareholder is an administrator or directive of the Company, the duty to report will be mandatory when the total direct and indirect participation of said administrator or manager reaches, exceeds or decreases, respectively above or below 1% of the share capital or its successive multiples.

All notices must be given to the administrative body or person designated by the Company for such purpose and within a maximum term of four (4) calendar days from the date on which the event determining the obligation to communicate occurred.

Company shall publicize such notices in accordance with the provisions of the regulations of the Alternative Stock Market.

## **Private Shareholders Agreements**

Additionally, shareholders shall be required to report to the Company the execution, amendment, extension or termination of any agreement that restricts the transfer of shares held by them or its own or affects the voting rights inherent to said shares.

Communications must be made to the administrative body or person designated by the Company for the purpose and within a maximum period of four (4) calendar days from the date on which the event determining the obligation to communicate occurred.

Company shall publicize such notices in accordance with the provisions of the regulations of the Alternative Stock Market.

## **Title III. Governing Bodies of the Company**

### **Article 14. - Governing Bodies**

The Governing bodies of the Company are:

- (a) General Meeting of Shareholders.
- (b) The Board of Directors and, within its powers, the Executive Committee and the Managing Directors appointed, in this case, by the said Board from among its members.

### **General Meeting**

### **Article 15. - Call and Constitution of the General Meetings**

#### **Call**

General Meetings shall be called by the Board of Directors, by means of an announcement published on the Company's website, at least one month before the date set for its execution. The call announcement shall state the date and place of the meeting and all the matters to be discussed. It can be stated the date on which, if it's applicable, the meeting will be held on second call. Between the first and second meeting, there must be a period of at least 24 hours.

Accordingly, the Board of Directors must call a Shareholders' General Meeting when it has been requested by a number of shareholders holding at least 5% of the share capital, stating in the request the matters to be discussed at the Meeting.

From the moment of the call to the General Meeting of Shareholders, those shareholders representing, at least 5% of the share capital, may request to publish

a complement for the call of the Meeting, including additional items on the agenda. This right must be exercised through reliable notification that must be received at the registered office of the Company within five days following the publication of the call. The complement to the call must be published at least 15 days before the date set for the meeting of the assembly on first call and in the same media in which the initial call had been made public.

From the call of the Ordinary General Meeting, any shareholder may obtain from the Company, immediately and free of charge at the registered office, the financial statements, the proposed application of the year results, the management report and the accounting auditors report.

For all type of General Shareholders' Meetings, from the date of publication of the call notice, on the Company's website, in addition to including the aforementioned announcement, shall be included all documents that are legal, statutory or under the regulations of the market in which the shares of the Company listed, that must be made available to the shareholders and, among these, the text of all the proposed resolutions.

In addition, on the Company's website, reference will be made to the following aspects: (i) the right to request the delivery or free delivery of the aforementioned information, (ii) information on the rules for accessing the Meeting, (iii) the procedure for obtaining the attendance card or any other form allowed by current legislation to prove the status of shareholder and (iv) the right to attend. Likewise, it shall be informed about any other aspects of interest for the follow-up of the Meeting, such as the existence or not of simultaneous translation, or the foreseeable audiovisual diffusion of the General Meeting

## **Constitution**

The General Shareholders' Meeting will be validly held, on first call, when the shareholders, present or represented, shall be holders of at least twenty-five percent of the subscribed capital with the right to vote. In the second call, the constitution of the Meeting will be valid regardless of the present capital.

When it is a question of resolving on the issuance of obligations, the increase or decrease of the capital and, in general, any modification of the articles of association, the transformation, corporate split or global transfer of assets and liabilities of the Company, the suppression or limitation of the right of preferential acquisition of the new shares and the transfer of the domicile abroad, will be necessary, in the first call, the concurrence of present or represented shareholders who possess, at least, fifty percent of the subscribed capital with voting rights. In second call, the concurrence of twenty-five percent of said capital will be sufficient.

It shall be understood, in any case, that the General Meeting has been validly constituted to hear and resolve any matter, provided that all the share capital is present and the attendees unanimously accept its conclusion.

#### **Article 16. - Legitimation to attend meetings**

All shareholders that are listed as titleholders in the corresponding book-entry register five days prior to the General Meeting celebration may attend it, which may be proved by means of the appropriate attendance card, a certificate issued by one of the entities legally authorized for this purpose or any other form admitted in Law.

#### **Article 17. - Assistance and Representation**

Any shareholder who has the right to attend to the Meeting may be represented at the General Meeting by another person. The representation must be conferred in writing or, where appropriate, by means of remote communication according to the means determined by the Board of Directors and, specifically, for each Meeting. This power of representation is understood without prejudice to the provisions of the Law for cases of family representation and granting of general powers.

Eitherway, as much in for the cases of voluntary representation and for those of legal representation, no more than one representative may be present at the Meeting. However, entities that appear legitimized as shareholders by virtue of the accounting record of the shares but that act on behalf of different persons, may delegate the vote to each of the indirect holders or to third parties designated by them, without being able to limit the number of delegations granted.

Representation is always revocable. Personal attendance to the General Meeting of the represented party will have revocation value.

In cases of public request for representation, the document in which the power of attorney appears must contain or have attached the agenda, as well as the request for instructions to exercise the right to vote and the instructions and the sense in which the representative will vote in case that precise instructions are not given. It will be understood that there has been a public request when the same person holds the representation of more than three shareholders.

It shall not be necessary for the representation to be conferred in the described manner when the representative is the spouse, ascendant or descendant of the represented party, or when he holds a general power of attorney conferred in a public document with powers to manage all the assets that the represented party has in the national territory.

The members of the Board of Directors must attend the General Meetings.

Likewise, the president of the Board of Directors may invite to the General Meetings to directors and other people who have an interest in the proper conduct of social affairs.

#### **Article 18. - Right to Information**

From the same day of publication of the call to the General Shareholders' Meeting and until the seventh day, included, before the first call shareholders may request from administrators, in writing, the reports or clarifications they deem appropriate or formulate in writing the questions they deem pertinent about the matters included in the agenda. In addition, with the same advance and form, shareholders may request reports or clarifications or formulate questions in writing about the information accessible to the public that would have been provided by the Company to the regulatory authorities of the market in which the Company's shares are listed since the holding of the last General Shareholders' Meeting.

Administrators will be forced to provide the information in writing until the day of the General Meeting.

During the General Shareholders' Meeting, the shareholders of the Company may verbally request information or clarifications they deem appropriate regarding the matters included in the agenda and, if it is not possible to satisfy the right of the shareholder at that time, administrators will be required to provide that information in writing within seven days of the Board's termination.

Administrators will be forced to provide the requested information under the preceding paragraphs, except in cases in which, in the President's opinion the publicity of the information requested may cause damages to the company's interests, becomes unnecessary for the protection of shareholder rights or there are objective reasons to consider that it could be used for extra-social purposes. The denial of information will not proceed when the request is supported by shareholders representing at least 25% of the share capital.

#### **Article 19. - General Shareholders' Meeting Table**

The General Shareholders Meeting shall be chaired by the President of the Board of Directors and, failing this, by the Vice President or, failing that, by the board member chosen, in each case, by the shareholders attending the meeting.

The President will be assisted by a Secretary, who will be the Board of Director's and,

failing that, by the Vice secretary, if there is one and if not by the person designated by the Board.

The general Shareholders Meeting Table shall be constituted by the members of the Board of Directors who attend the meeting.

It's the President's to direct and order the development of the General Meeting and to keep the debate within the limits of the agenda, ending it when the matter has been, in his opinion, sufficiently debated.

#### **Article 20. - Votes and majorities for the adoption of agreements**

The vote of the proposals on items included in the agenda may be delegated or exercised by the means of the remote communication that the Board of Directors determines on the occasion of each Meeting, provided that it meets the requirements set forth in the applicable legislation and guarantees the identity of the subject that delegates or exercises its right to vote. In this case, the Board of Directors shall notice the specific remote means of communication that the shareholders can use to delegate or exercise the vote in the notice of the General Meeting and through the Company's website of the requirements deadlines and procedures that are applicable.

The resolutions of the Board will be adopted by a simple majority of the votes of the shareholders present or represented at the meeting. An agreement shall be adopted when it obtains more votes in favor than against the present or represented capital.

However, when there are shareholders representing 25% or more of the subscribed capital with voting rights, the agreements relating to the issuance of bonds, the increase or decrease of the capital and, in general, any modification of the articles of association, the transformation, merger, corporate split or global transfer of assets and liabilities of the Company, the elimination or limitation of the preferent acquisition right of new shares and the transfer of domicile abroad, will require the favorable vote of two thirds (2 / 3) of the share capital present or represented at the meeting. For these agreements, if the capital present or represented exceeds 50% of the subscribed capital with the right to vote, it will be sufficient for the agreement to be adopted by an absolute majority.

#### **Article 21. - De-Listing**

In the event that a resolution to de-list the shares representing the Company's capital from the Alternative Stock Market is adopted at a General Shareholder's Meeting without the favorable vote of any of the Company shareholders, the Company shall be required to offer to such shareholders the possibility of acquiring its shares, at

such Price as is applicable in cases of de-listing under the regulations governing public tender offers.

## **Corporate Administration**

### **Article 22. - Board of Directors Power's**

It is responsibility of the Board of Directors the representation and the highest management and administration of the Company in or out of court, and shall be responsible for all acts included in the corporate purpose defined in these articles of association, as well as for all actions required by the Law and these Statutes and without prejudice to the acts expressly reserved to the General Meeting.

### **Article 23. - Board of Directors Composition**

#### **Composition**

Company will be governed and administered by a Board of Directors that shall be composed of a minimum number of three (3) members and a maximum of fifteen (15), whose designation shall correspond to the General Meeting.

#### **Independent External Directors**

At least one quarter (1/4) of the members of the Board of Directors shall be independent External Directors.

Independent External Directors must be individuals or legal entities of recognized professional prestige and meet the conditions that ensure their impartiality and objectivity of criteria, who, not being Executive Directors or External Proprietary Directors, can contribute their experience and knowledge to the government of the Company.

#### **External Proprietary Directors**

Board of Directors, in the exercise of its powers to propose the appointment of Directors to the General Shareholders' Meeting and co-optation to fill vacancies, shall include external Proprietary Directors in the composition of this managing body.

For these purposes, it shall be considered as External Proprietary Directors, those who, complying with the legal and statutory requirements to be directors, are proposed by individual shareholders or grouped by a stable participation in the capital stock that has been deemed sufficiently significant by the Board of

Directors taking into account the shareholding structure of the Company and the capital represented on the Board.

### **Executive Directors**

Individual and legal persons as well as shareholders or non-shareholders may be appointed as Executive Directors. The position of Executive Director is compatible with the exercise of any other position or function in the Company.

### **Incompatibilities**

It cannot be appointed as director someone who is subject to a prohibition or incompatibility according to article 213 of the Capital Companies Law, Law 3/2015 of March 30 and other applicable legal provisions.

### **Director's Duty of Secrecy**

The director shall keep secret of the Board of Director's deliberations and of the delegated company bodies of which he is a member, and, in general, shall refrain from disclosing the information to which he has had access in the exercise of his office in accordance with the provisions in the applicable legislation, the present articles of association and the regulations of the Board of Directors.

### **Non-Competition Duty**

Administrators cannot carry out activities on their own behalf or on behalf of others that constitutes direct competition with the Company or that in any other way that places them in a permanent conflict with the interests of the Company whether actual or potential.

## **Article 24. - Position Term and Vacancies**

The appointed directors shall hold its position for a term of six (6) years, this term that shall be equal for all of them, without prejudice to their re-election, as well as the power of the General Meeting to proceed at any time to cease them in accordance with the provisions of the Law and these articles of association.

If vacancies arise during the term for which the directors have been appointed, the Board of Directors may designate among the shareholders the persons who shall cover the positions until the first General Meeting is held.

## **Article 25. - Operation of the Board of Director's**

### **Call**

The power to call the Board of Directors corresponds to the President or the person acting as such who will exercise the said power whenever he considers it appropriate and, in any case, when its requested by a quarter (1/4), at least, of the Directors, in in which case the President may not delay the call for a period longer than seven days counted from the date of receipt of the request.

Call will be sent by letter, telegram, fax, email, or any other written means. Call will be addressed to each of the members of the Board of Directors, at least forty-eight (48) hours in advance.

### **Constitution**

Board of Directors shall be validly constituted when at least one half plus one of its members attend the meeting present or represented provided that at least four Directors attends the Board. In case of an odd number of directors, half will be determined by default.

Directors may only be represented at meetings of this company body through another director. Representation will be conferred by writing addressed to the President.

President will open the session and direct the debates, granting the floor as well as facilitating the news and reports on the progress of social affairs to the members of the Board Directors.

### **Adoption of Resolutions**

Unless Law establishes a superior majority, resolutions will be adopted by absolute majority of the directors attending to the meeting. In the event of a tie, the President's shall hold casting vote.

The adoption of resolutions in writing and without a meeting will be valid when no director opposes to this procedure.

The resolutions of the Board of Directors adopted by videoconference or by multiple conference call shall be valid as long as all the necessary means are available and none of the Directors opposes to this procedure and is reciprocally recognized, which must be expressed in the minutes of the Board of Director's and in the certification agreement's that are issued. In such case, the session of the Board of Directors shall be considered as a single meeting held at the place of the registered office.

## **Minutes of the Board of Directors**

Board Directors Agreements shall be recorded in minutes, which must be approved by the company body itself at the end of the meeting or in the following one. Minutes shall be signed by the Secretary of the Board of Directors or of the session, with the approval of whoever acted in it as President. Minutes shall be transcribed in the Book of Minutes.

### **Article 26. - Remuneration of the Administrators**

Notwithstanding with the provisions settled in the "Other remuneration systems" section of this article, in general, the remuneration of the directors, in such condition, shall consist in a fixed cash annually determined by the general meeting. The Board of Directors may adjust the remuneration to be received by each of the administrators based on whether or not they belong to delegated company bodies and, in general, of their dedication to the administration of the Company.

The remuneration shall be established for each 12-month period. Consequently, if a social year has a duration of less than twelve months, the amount of the compensation will be reduced proportionally. Compensation accrual shall be per due months, in such a way that the remuneration of each administrator will be proportional to the time that said administrator has exercised his position during the year for which said remuneration is established.

Remuneration will be determined at any meeting held at any time before the end of the year. The meeting that determines the remuneration will set the rules for its payment. However, in the absence of an express agreement in this regard, the following rules will apply:

- a) The payment corresponding to the fixed allowance shall be made for the due quarters within the first five (5) days of the calendar month following the one in which the remuneration in question has been accrued;
- b) While General Shareholders' Meeting has not fixed the remuneration applicable to a specific year, the last agreed remuneration will be applied; remunerations thus received shall be regularized, upwards or downwards, within the first five (5) days of the calendar month following that in which the general meeting approves the fixed allocation corresponding to the year in question.

In addition, independently of the aforementioned, when the administration and representation of the company is entrusted to a Board of Directors and a member of it is appointed CEO or executive functions are attributed to it under another title, it

shall be necessary that a contract is concluded between it and the company in accordance with the provisions of art. 249 of the Law.

Incomes foreseen in this article shall be compatible and independent of other professional or labor amounts or compensations of any kind established in general or individual character that correspond to the administrators for any executive or consultative functions that they perform in the Company, and with independence of the nature of its relationship with the Company, whether it is labor -common or special senior management- mercantile or services provision.

### **Another Remuneration Systems**

Additionally, and irrespective of the remuneration provided in the previous sections, it is foreseen the establishment of remuneration systems referenced to the stock price of the shares or that come with the delivery of shares or option rights over shares, intended for the directors. The application of these remuneration systems must be agreed by the General Shareholders' Meeting, which will determine the value of the shares taken as reference, the number of shares to be delivered to each Director, the exercise price of the option rights, the term of this remuneration system and other conditions that it deems appropriate

Likewise, and after compliance with the legal requirements, similar remuneration systems may be established for personnel (managerial or not) of the Company.

### **Public Liability**

Company may contract civil liability insurance for its Directors.

## **Article 27. - Appointment of positions in the Board of Directors**

### **Positions**

Board of Directors shall appoint the President among its members and, if it's agreed, may appoint one or several Vice-Presidents, who, in the latter case, shall be consecutively numbered, and whose function shall be to replace the President in the event of vacancy, illness or absence and cover the functions that correspond to it in accordance with the Law, the articles of association and the Regulations of the General Shareholders' Meeting and the Board of Directors. In the absence of the above, the Board of Directors shall appoint among those of its members attending the respective session the person who must accidentally exercise the office of President.

It shall also designate the person holding the position of Secretary and, if its agreed, a Vice- Secretary, whose function shall be to replace the Secretary in case of vacancy, absence or illness and cover the functions that correspond to it in accordance with the Law, the articles of association and the regulations of the General Shareholders' Meeting and the Board of Directors. In the absence of the Vice Secretary, the Board of Directors shall designate the person who is to accidentally exercise the position of Secretary.

The Secretary and, in its case, the Vice Secretary, may or may not be directors. In the latter case they shall have voice but not vote.

### **President**

President of the Board of Directors shall convene and preside the meetings of the Board of Directors and the Delegate Committee, it shall direct the deliberations of the company bodies he presides, it shall watch over the faithful compliance with the agreements adopted by said bodies, it shall authorize minutes and certifications and, in general, it shall develop as many actions as are convenient for the adequate operating of the company body.

President may also have the status of chief executive of the Company. It is up to the Board of Directors to determine if the President has to hold such condition.

### **Secretary**

Secretary will assist the President in his work and must provide for the proper operating of the Board, especially taking care to provide the Directors with the necessary information, to keep the social documentation, to duly reflect in the Minutes Books the development of the sessions and certify the Agreements of said company body.

Secretary shall take care in all cases of the formal and material legality of the actions of the board meetings and that its procedures and rules of governance are respected.

Secretary shall assist the President in his work and must provide for the proper functioning of the Board of Directors, especially taking care to provide the Directors with the necessary information, to keep the social documentation, to duly reflect in the Minutes Books the development of the sessions and certify the Agreements of said governing body.

Secretary shall take care in any case of the formal and material legality of the actions of the Board of Directors and that its procedures and rules of governance.

### **Article 28. – Delegation of Powers**

### **Permanent Delegation of Powers**

The Board of Directors may appoint from among its members, with the favorable vote of two thirds (2/3) of its members, one or more Managing Directors (in accordance with what is explained later in this article) and / or an Executive Committee formed by a minimum of three (3) and a maximum of five (5) members, without prejudice to the powers of attorney that may be conferred on any person. The permanent delegation of powers will not produce any effect until its registration in the Commercial Registry.

### **Powers of the Managing Director**

In any case, each Managing Director shall have the powers granted by the Board of Directors with the limits established by Law.

### **Executive Committee**

The Executive Committee will be chaired by the President of the Board of Directors and, in his absence, by the Vice-President or Vice-Presidents of the Board of Directors, who are members, following its correlative order or, failing or absent, by the person appointed by the attendees to the meeting in question. The Board of Directors will appoint a Secretary who may not be a Board Member. Failing or absence will be replaced by the person appointed by the attendees to the session.

The Executive Committee shall meet as many times as deemed appropriate by its President, or who exercises its functions, or at the request of the majority of its members that knows of the matters of the Board of Directors that, in accordance with current legislation or these Bylaws, agree to delegate.

The norms of the Articles of Association for the constitution and adoption of resolutions of the Board of Directors will be applicable to the Executive Committee.

The Minutes and Certificates of the resolutions adopted shall be in accordance with the provisions of these Articles of Association with respect to the Board of Directors.

### **Article 29.- Audit and Control Comitee**

Company shall have an audit and control Committee composed of at least three Directors appointed by the Board of Directors who will have the capacity, experience and dedication necessary to perform their duties. All members of the Committee will be external or non-executive directors.

Commission President shall be elected among its members that will be replaced every four years, and may be re-elected one year after his resignation.

Commission shall support the Board of Directors in its surveillance tasks, by periodically reviewing the process of preparing the economic and financial information, the internal controls of the Company and the independence of the external auditor.

Commission will have, among others, the following competences:

1. To report at the General Shareholders' Meeting about the questions suggested by the shareholders in subjects of their competence.
2. To propose to the Board of Directors, for its submission to the General Shareholders' Meeting, the appointment, re-election and replacement of the external account auditors referred to in article 264 of the Capital Companies Law.
3. To supervise the effectiveness of the company's internal control, internal audit services and risk management systems. For such purposes, where appropriate, it may be may submitted recommendations or proposals to the administrative body and the corresponding deadline for its monitoring.
4. To supervise the process of preparing and presenting the financial information and the internal control systems of the Company.
5. To maintain the relationship with external auditors to receive information on issues that may put at risk the independence of these and any other related to the process of developing the Accounts Auditment, as well as those other communications provided in the legislation of Accounts Auditing and in the technical standards of Audit.
6. To issue annually, prior to the issuance of the audit report, a report in which an opinion will be expressed on whether the independence of the auditors of accounts or audit companies is compromised.
7. To inform the Board in advance about all the matters set forth in the Law, the Articles of Association, the Regulations of the Board, and in particular about:
  - i) the financial information that the company must make public periodically, in particular the annual and semi-annual information that the company must provide to the market;
  - ii) the creation or acquisition of shares in special-purpose entities or entities domiciled in countries or territories that are considered to be tax havens;

iii) transactions with related parties;

iv) The content and scope of the letter of conformity of the auditor on the financial information that its included, if its applicable, in the informative documents of expansion for the market and on the sufficiency of the working capital;

8. Any other report and proposal function that is legally entrusted to it or by the Board of Directors with general or particular character.

The Audit and Control Committee will meet with the periodicity that is determined and each time it is convened by its President or requested by two of its members. Any member of the management team or of the personnel of the Society that is required for this purpose will be obliged to attend the meetings of the Commission and to provide collaboration and access to the information available to them. For the fulfillment of its functions, the Commission will have at its disposal the necessary means for its independent operation. The Commission will adopt its decisions or recommendations by majority vote

Board of Directors will develop the powers and rules of operation of the Audit and Control Committee.

#### **Article 30. - Other Committees**

Additionally to the Audit and Control Committee planned in the previous article, the Board of Directors may establish as many commissions and / or committees as it deems appropriate for the proper performance of its functions. In particular, it may regulate the creation of an Appointments and Remuneration Committee, whose faculties will be established, where appropriate, by the Board of Directors itself and which, in general, will deal with the proposal for the appointment of new directors and the remuneration policies at the highest level.

### **Title IV. Financial Year y Financial Statements**

#### **Article 31. - Financial Year**

The financial year shall cover the time between February 1 of one year and January 31 of the following calendar year.

#### **Article 32. - Formulation of the Financial Statements**

Within the three months following to the closing of the fiscal year, the Board of Directors will proceed to formulate, in the manner provided by the legislation in force, the financial

statements, the management report and the proposed application of the result for the year.

### **Article 33. - Verification of the Financial Statements**

The annual accounts and the management report must be reviewed by accounts auditors in the terms provided by law.

### **Article 34. - Approval of the Financial Statements and application of the results for the year**

The Financial Statements will be submitted for the approval of the General Shareholders Meeting.

Once the annual accounts have been approved, the General Shareholders' Meeting shall decide on the application of the results for the year for the liquid benefits obtained in each year, once the legal reserve has been covered, and other legally established services, the Board may allocate the amount it deems appropriate to voluntary reserve, or any other legally permitted service.

The rest, if any, shall be distributed among the shareholders as dividends in the proportion corresponding to the capital they have disbursed. Payment shall be made within the term determined by the Meeting itself.

Likewise, the General Shareholders' Meeting or the Board of Directors may agree on the distribution of amounts on account of dividends with limitations and complying with the requirements established in the Law.

### **Article 35. - Deposit of the Financial Statements**

Within the following month to the approval of the financial statements, a certification of the resolutions of the General Meeting of approval of the individual and consolidated annual accounts and of the application of the result of the meeting will be submitted for deposit in the Mercantile Registry. It will be attached a copy of each accounts, as well as the management report and the report of the auditors, if the Company was required to audit or if it had practiced it. The certification must be submitted with signatures legitimated by notary.

## **Title V. Dissolution and Liquidation**

### **Article 36. - Dissolution and Liquidation**

Company will be dissolved for the reasons and in accordance with the regime established in articles 360 and following of the Capital Companies Law.

### **Article 37. - Liquidators**

Once the Company has been dissolved, unless otherwise agreed by the General Meeting, all the Directors with a current appointment and registered in the Commercial Registry will be converted into liquidators by right. If the number of Directors is even, the last of those who have been appointed will not be converted into the liquidator and, if more than one director has been appointed on the same date, it shall be determined by lot the director that it's necessary to obtain an odd number of liquidators.

## **Title VI. Bond Issuances**

### **Article 38. - Bond Issuances**

Company may issue bonds or other securities that recognize or create a debt in accordance with the legally established limits.

The administrative body shall be competent to agree the issuance and admission to negotiation of obligations, as well as to agree the granting of guarantees of the issuance of obligations. The general meeting shall be competent to agree on the issuance of bonds convertible into shares or bonds that attribute to the shareholders a share in the corporate profits.

Obligations may be represented by physical titles or book entries, the latter being governed by the legal provisions that apply to them.

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