

## **Trophy Holding Public Limited Company (Nyrt.)**

### **ARTICLES OF ASSOCIATION**

*The extraordinary General Meeting held on the 07th of Jan, 2017 has made amendments on the Articles of Association and hereby approves and adopts the new Articles that includes the changes in a consolidated structure below.*

#### **I.**

##### **COMPANY NAME, REGISTERED OFFICE, PLACE OF BUSINESS, LEGAL FORM, DURATION**

1. Company name: **Trophy Holding Nyilvánosan Működő Részvénytársaság**
2. Short company name: **Trophy Holding Nyrt.**
3. The Company's registered office: **1054 Budapest, Szabadság tér 7., Hungary**

The company's registered office also functions as its main customer care centre.

4. The Company's sites: 9933 Hegyhátszentjakab, Kossuth utca 3/B.  
3262 Markaz, külterület 0110/256  
3262 Markaz, külterület 0110/257
5. Operating form: Public Limited Company (Nyrt.)
6. Duration: indefinite

#### **II.**

##### **THE COMPANY'S SCOPE OF ACTIVITY:**

1. Main activity: **6831 Real estate agencies**
2. Other activities:
  - 8299 Other business support service activities n.e.c.
  - 6499 Other financial service activities n.e.c.
  - 6629 Other activities auxiliary to insurance and pension funding
  - 6810 Buying and selling of own real estate
  - 6820 Renting and operating of own or leased real estate
  - 6832 Management of real estate on a fee or contract basis
  - 6202 Computer consultancy activities
  - 6209 Other information technology and computer service activities
  - 7320 Market research and public opinion polling
  - 7022 Business and other management consultancy activities
  - 8211 Combined office administrative service activities

8220	Activities of call centres
9609	Other personal services n.e.c.
7721	Renting and leasing of recreational and sports goods
5590	Other accommodation
5530	Camping grounds, recreational vehicle parks and trailer parks
5510	Hotels and similar accommodation
5520	Holiday and other short-stay accommodation
9329	Other amusement and recreation activities
7990	Other reservation service and related activities
7911	Travel agency activities
7912	Tour operator activities
5610	Restaurants and mobile food service activities
5630	Beverage serving activities
5629	Other food service activities
5621	Event catering activities
2829	Manufacture of other general-purpose machinery n.e.c.

### III. THE COMPANY'S SHARE CAPITAL

1. The company's share capital is HUF 7.300.000.000,- that is Seven billion three hundred million forints, comprised of:

a) HUF 1.040.000.000,- that is One billion and forty million forints cash contribution, which represent 14,24% of the share capital.

b) HUF 6.260.000.000,- that is Six billion two hundred and sixty million forints in-kind contribution, which represent 85.76% of the share capital.

The founders have provided the company with the above financial and in-kind contributions.

2. Distribution of the share capital by share types and share classes:

The company's share capital is represented by 36.500.000,- that is Thirty Six Million and Five Hundred Thousand dematerialized shares with a face value of HUF 200 each.

### IV. SHARES

1. Shares are securities representing ownership rights. The Company may issue ordinary shares, employee shares, interest bearing shares, and redeemable shares. Shares other than employee shares, interest bearing shares, and redeemable shares shall be considered as ordinary shares. At any time, the total value of the ordinary shares issued by the Company shall account for more than half of the Company's share capital.

It is possible to issue several series within a share type or share class. Shares with identical features representing the same membership rights shall be considered to belong to the same share series. The face value and the manifestation of shares in the same series shall be identical.

2. Shares shall be created by the Board of Directors as dematerialized shares and in accordance with applicable regulations pertaining to securities.

3. Once the Company has been registered by the Court of Registration, interim shares shall be issued to each Shareholder equal to the value of the shares such Shareholder has undertaken to acquire or the value of the in-kind contribution supplied in respect of such shares, until such time that the share capital (increase in the share capital) or the share issue value has been paid in full.

4. Interim shares are securities, subject to the same rules that are applicable to shares, with the condition that the transfer of interim shares shall not become affective until it has been registered in the register of shareholders. Interim shares shall contain information about the amount paid by the Shareholder by the issue date of such temporary shares. Upon the request of the Shareholder, the value of any additional contribution made by the Shareholder shall be recorded on the interim shares in accordance with the rules applicable to securities, or the existing interim shares shall be invalidated and replaced with new interim shares.

5. Once the Company has been registered by the Court of Registration and the share capital, or, if there is a difference between the face value and the issue price of the shares then the issue price has been paid in full, the Shareholder may request the Company to credit the Shareholder's dematerialized shares to its securities account.

6. Shares may be transferred unless otherwise stipulated by law. Dematerialized shares may be transferred by charging the transferor's securities account and crediting the transferee's securities account accordingly.

7. Unless otherwise provided by law, the Company's Board of Directors or representative authorized in accordance with the legal provisions pertaining to securities shall keep a register of shareholders, including holders of interim shares, in which to record the name (corporate name) and address (registered office) of Shareholders or their proxy (hereinafter referred to collectively as "Shareholders"), or in the case of jointly owned shares, the name (corporate name) and address (registered office) of the joint representative, furthermore, the number of shares or interim shares (percentage of control) of shareholders as per each series of shares, as well as any other data prescribed by the law or specified in the Articles of Association.

It is the responsibility of the operator of the securities account to notify the keeper of the register of shareholders about the above details (not including those which may be required by the Articles of Association) within two days upon a share has been credited to a securities account. The operator of the securities account may not communicate the above details if it

has been so instructed by the Shareholder. Persons who have given such instructions or acquired shares in violation of the regulations on the transfer of shares set forth by law or the Articles of Association may not be entered in the register of shareholders.

The keeper of the register of shares shall delete any Shareholder upon the request thereof from the register of shareholder without delay. Where the title of Shareholder has ceased due to the securities being effectively cancelled from the records of the securities account, the operator of the securities account shall notify the keeper of the register of shareholders within two working days from the date of cancellation. The keeper of the register of shareholders shall update the register of shareholders accordingly without delay, however, the deleted data must remain retrievable.

Where an identification procedure is requested by the Company, if it pertains to the closing of the register of shareholders prior to the next general meeting, the keeper of the register of shareholders shall delete all data contained in the register of shareholders at the time of the identification procedure, and shall simultaneously enter the data obtained upon the identification procedure into the register of shareholders, except for shareholders who requested during the identification procedure that their details should not be entered in the register of shareholders. Based on the data from the shareholder identification procedure, the names of shareholders and proxies wishing to participate in the general meeting shall be entered into the register of shareholders by the keeper of the register of shareholders by the second working day preceding the first day of the general meeting. At the General Meeting shareholders rights may be exercised only by the persons whose name is contained in the register of shareholders at 18:00 hours on the second working day prior to the day of the opening of the general meeting. Closing the register of shareholders shall not impede the right of a person whose name is contained in the register of shareholders in transferring his shares after the closure of the register of shareholders. The transfer of shares before the opening day of the general meeting shall not preclude the right of a person whose name is contained in the register of shareholders from attending the general meeting and from exercising his shareholder's rights.

The transfer of a share or interim share shall be recognised by the Company and the new Shareholder may exercise its rights in respect of the Company upon the registration of such new Shareholder in the register of shareholders. In the event that the entitlement to exercise certain shareholder's rights is established in the course of an identification procedure conducted in accordance with Act CXX of 2001 on the Capital Market, then the certificate of deposit or ownership specified by the law is not required for the exercise of such rights. In any other cases, a certificate of deposit or ownership specified by the law is required for the exercise of shareholder's rights in evidence that at the circumstances recorded at the time of the identification procedure still prevail.

Shareholders shall have the right to inspect the register of shareholders and may request copies of the section which pertains to them from the Board of Directors, or its representative, with which the keeper of the register of shareholders must comply with within five days. Third persons may be allowed access to the register of shareholders if they provide information regarding their interest.

Should the Board of Directors commission a third party with keeping the register of shareholders on the basis of the authorization of the law, then a notice on the outsourcing of these activities and the name of the service provider shall be published in the *Cégek Közlöny* (Official Hungarian Company Gazette), as well as the Company's bulletin and on its website.

8. If a Shareholder fails to meet its payment obligation arising from the registration of its shares or interim shares, the Board of Directors shall order such Shareholder to provide the contribution within a period of thirty days. Such order shall contain an indication that failure to perform will result in the termination of such Shareholder's status as shareholder.

In the event of non-compliance within the thirty-day time limit, the Shareholder's rights of a shareholder shall be terminated on the day following the expiration of such time limit. The Board of Directors shall inform the former Shareholder in writing. A Shareholder whose membership has been terminated in accordance with the provisions of this section shall be held liable in accordance with the general rules of civil law for damages caused to the Company by virtue of his failure to provide the contribution.

9. If the Shareholders' rights of a shareholder are terminated pursuant IV/8 of these Articles of Association, and his obligation to provide the contribution on the shares subscribed or undertaken to be subscribed by the Shareholder in the Articles of Association is not assumed by another person, the share capital must be reduced consistent with the contribution committed by such shareholder in default. The value of the contribution provided by Shareholders in default shall be due to such Shareholders following the reduction of the share capital, or when the replacement Shareholder performs his contribution towards the company.

10. The Company shall not be entitled to subscribe for shares of its own issue (own shares) while being founded. Unless otherwise prescribed by the law, the Company may acquire its own shares only if able to finance it from its assets other than of the share capital. Own shares may be acquired upon the general meeting authorizing the Board of Directors for acquiring them, with the conditions defined.

The prior authorization of the general meeting is not required for the acquisition of the Company's own shares if it is necessary to prevent an imminent injury to which the Company is directly exposed.

The Board of Directors shall present in the next general meeting the reasons for which the own shares had to be acquired, the quantity and aggregate face value of the shares, the percentage they represent in the Company's share capital and also the price paid for the shares. The provisions of this section shall not apply in the case of a public purchase offer for the acquisition of the Company's shares.

The Company shall not be entitled to exercise shareholder rights on the basis of own shares.

With the exception of the above provision, issues relating to the Company's own shares shall be governed by the law.

In case the Company has acquired its own shares in violation of the law, the Company shall retire the shares involved, or if the quantity of such shares cannot be determined, all of its own shares by way of decreasing the share capital within one year of the date on which they were acquired.

## **V.**

### **THE SHAREHOLDERS' RIGHTS AND RESPONSIBILITIES**

1. Shareholders may be entitled to receive dividend from the Company's taxed profit calculated according to applicable accounting laws that is available and has been ordered for distribution by the general meeting in the percentage consistent with the face value of their shares (dividend).

The first publication of the notice on general meeting resolutions specifying the amount of dividend payable and the first day of dividend payment shall take place at least ten working days prior to the first day of dividend payment.

For the purpose of establishing dividend rights, the general meeting may appoint a date other than the date of the general meeting where the resolution on the dividend payment is adopted. Consequently, a Shareholder shall be entitled to receive dividends if its name is registered in the register of shareholders according to the identification procedure conducted on the date appointed by the general meeting and published in the notice on the dividend payment. The earliest possible date of the identification procedure conducted for the purposes of dividend payment shall be the fifth working day following the date of the general meeting where the resolution on dividend payment was adopted.

Shareholders shall be entitled to receive dividends only in the proportion of the capital contributions they have already paid up. Dividends payable to a Shareholder may also be provided with shares of the Company.

For the purpose of calculating the share of dividends payable to eligible Shareholders, the Company shall disregard the amount of dividends payable on own shares.

When deciding on the utilisation of the Company's taxed profits, sufficient funds shall be set aside for development in order to ensure the Company's competitiveness against its competitors and its successful operation in the future.

2. The Company may effect any disbursement from its own funds to a Shareholder, on account of his membership, during the Company's existence solely in the cases defined by the law and only if the conditions set out in the Accounting Act are satisfied, with the exception of the reduction of the share capital, from the taxed profit for the current year, or from the taxed profit supplemented with available profit reserves from the current year. No disbursement can be made if the Company's equity capital - adjusted in accordance with the Accounting Act - is below its share capital or it would be reduced to drop below the share capital if the payment was made. Any disbursement made in contradiction of this section shall be repaid to the Company upon the call of the Company.

3. The general meeting of the Company may adopt a decision for the payment of interim dividends between the approval of two consecutive annual reports prepared according to the Accounting Act if: according to the interim balance sheet prepared for this purpose according to the Accounting Act, the Company has funds sufficient to cover such interim dividends, on condition that such payments do not exceed the amount of profits earned after the closing of the books of the financial year to which the last annual report pertains, calculated in accordance with the Accounting Act, or the amount supplemented with the available profit reserves and the payment of such interim dividends do not result in the Company's equity capital - adjusted in accordance with the Accounting Act - to drop below its share capital.

4. In the event of the termination of the Company without succession, unless otherwise provided by law, assets remaining after the satisfaction of creditors shall be distributed among shareholders on the basis of their cash contributions and contributions in kind actually paid up and provided, in proportion to the face value of their shares.

5. Shareholders shall have the right to participate, to request information within the limits specified by the law, and to make remarks and proposals at the general meeting. Shareholders are entitled, if holding shares with voting rights, to vote.

6. The Board of Directors shall provide the necessary information to all Shareholders in connection with the items placed on the agenda of the general meeting upon written request at least eight days before the scheduled date of the general meeting, in a manner that the shareholder receives the necessary information three days before the date of the general meeting at the latest. The Board of Directors may refuse to provide such information if it is of the opinion that it would infringe upon the Company's business secrets. The information shall be provided nonetheless, if the Board of Directors is so instructed by resolution of the general meeting. Disclosure of information that does not contain any business secrets may not be restricted. In the absence of such written request, the Board of Directors shall provide the necessary information to all Shareholders in connection with the items placed on the agenda of the general meeting.

Shareholders shall treat all business secrets of the private limited Company strictly confidential and shall be held liable for any damages caused to the Company by the violation of these, in accordance with the provisions of the Civil Code.

Shareholders may not inspect the company's books and other business documents.

7. Shareholders in any arrears in their capital contribution shall not be able to exercise their voting rights.

8. Shareholders may exercise their shareholders' rights through representatives. Members of the Board of Directors and executive employees of the Company may not serve as representatives, unless such individuals have specific written instructions issued by the authorizing Shareholder to vote with respect to each proposal.

9. Authorizations for representation may be valid for a period of time not to exceed twelve months.

10. A group of Shareholders controlling at least one per cent of the voting rights may request in writing the Board of Directors to place an issue of their choosing on the agenda, indicating the reason and the purpose thereof. Shareholders may exercise these rights within a period of eight days after the publication of the notice for calling the general meeting. A group of Shareholders controlling at least one per cent of the voting rights shall have the possibility to table draft resolutions for items on the agenda.

11. A judicial review of unlawful resolutions adopted by the General Meeting may be requested by any Shareholder or member of the Board of Directors in accordance with the law.

12. If a review is initiated by a member of the Board of Directors, and the Company remains without a member of the Board of Directors who can represent the Company, the court shall order a curator ad litem to represent the Company.

## **VI. THE GENERAL MEETING**

1. The supreme body of the Company is the general meeting, which consists of all Shareholders.

2. The general meeting may be convened in the cases and by the individuals specified by the law, however, the general meeting shall be convened at least once every year between 1 January and 31 May.

3. Unless otherwise provided by the law, the general meeting shall be convened by the Board of Directors according to the procedure set out in section XVI/1 of the Articles of Association, by means of an invitation at least thirty days prior to the proposed date of the general meeting.

4. The Company shall publish the key data of the draft of the annual report prepared pursuant to the Accounting Act and of the report of the Board of Directors and the Supervisory Board, and the total number of shares and voting rights at the date of the convocation (including separate totals for each class of shares) at least twenty-one days before the general meeting, together with a summary of the proposals relating to the items on the agenda and the draft resolution in accordance with the relevant provisions pertaining to the disclosure of official notices of the Company.

5. The notice to call for general meeting shall contain:

- a) the corporate name and registered office of the Company;
- b) the place and time of the general meeting;

- c) the procedure for holding the general meeting;
- d) if the general meeting is held by conferencing, the name and means of access of the authorized voting agent;
- e) the agenda of the general meeting;
- f) the conditions for exercising voting rights, as laid down in the Articles of Association;
- g) the place and time of the reconvened general meeting in the event of failure to meet quorum requirements;
- h) the time specified in Section 3:273 (2) of the Civil Code and information pertaining to the provisions set out in Section 3:273 (3) of the Civil Code;
- i) the conditions for requesting information and for exercising the right to request additional items for the agenda of the general meeting, as laid down in the Articles of Association;
- j) the time and place, and the means of access to proposals for decisions and draft resolutions on the agenda of the general meeting (including the company's website address).

The general meeting may be convened at locations other than the Company's registered office or site.

6. The agenda of the general meeting shall be prepared by the body or the individuals in charge of convening the general meeting.

7. The Shareholders right to make proposals shall be governed by the provisions of the law.

8. The general meeting has quorum if it was convened according to the relevant rules and Shareholders representing at least half of the votes embodied by shares with voting rights are present.

If the general meeting fails to have quorum, the reconvened general meeting shall have a quorum on the issues of the original agenda, with the exclusion of all other issues, irrespective of the percentage of votes represented by the Shareholders who are present. The reconvened general meeting shall be held within minimum ten, maximum twenty-one days following the general meeting which failed to have quorum.

9. Conditions and procedures for exercising voting rights:

All ordinary shares shall represent one vote.

Shareholders may exercise their voting rights if their name is registered in the register of shareholders by 18:00 hours on the second working day preceding the first day of the general meeting.

The Board of Directors shall issue voting tickets to each Shareholder providing it with voting rights according to the number of its shares, and the voting tickets also serve as a licence to attend the general meeting.

A "Shareholder Group" is defined as a group of Shareholders whose control must be counted together for the purposes of determining whether they are capable of acquiring control in a public limited company as defined in Act CXX on the Capital Market, and calculating the actual degree of their control.

Unless otherwise provided by the general meeting, votes shall be cast one proposal at a time.

General meeting resolutions may be adopted with a simple majority of the votes, except for cases defined in sections VII.1 a)-c), h), j), and l), which require three fourths of the votes as a minimum.

Voting rights attached to shares shall be determined by the face value of such shares. Consequently, shareholders shall have one vote for every 200 forints.

10. General assemblies may be suspended only on one occasion. If the general meeting is suspended, it shall be resumed within a period of thirty days. The quorum of the suspended General Meeting shall be determined in the same way as at the opening of the General Meeting.

11. Votes shall be open, and conducted either by show of the voting cards or by means of an electronic voting system, depending on the decision of the general meeting.

## **VII. THE SCOPE OF AUTHORITY OF THE GENERAL MEETING**

1. The following shall fall within the exclusive competence of the general meeting:

- a) decisions to approve and amend the Articles of Association;
- b) decisions on changing the operating form of the Company;
- c) decisions on transformation or termination of the Company without succession;
- d) with the exception defined by the law, the election and removal of the members of the Board of Directors, the Supervisory Board, and the auditor, as well as establishing the long term remuneration and motivation scheme of the members of the Board of Directors and the Supervisory Board, and other company officers along with the available budget;
- e) approval of the annual report prepared pursuant to the Accounting Act, including decisions regarding the utilization of the Company's taxed profit;
- f) decisions to pay interim dividends;
- g) decisions to convert printed share certificates into dematerialized shares;
- h) alteration of the rights attached to the various series of shares, and the conversion of categories or classes of shares;
- i) decisions to issue convertible bonds, bonds with subscription rights or equity bonds;
- j) increasing the registered capital;

- k) decisions to reduce the share capital;
- l) decisions to abolish preferential subscription rights;
- m) decisions to acquire the Company's own shares, unless otherwise provided by the law, by these Articles of Associations or by a general meeting resolution adopted pursuant to these Articles of Association;
- n) decisions on requests for the listing or delisting the Company's shares;
- o) decision on issues referred to the general meeting pursuant to Section VI/3 of the Articles of Association;
- p) approval of the responsible corporate management report prepared by the Board of Directors and approved by the Supervisory Board;
- q) decisions on all issues which are assigned to the exclusive competence of the general meeting by the Articles of Association, or by the law.

2. General meeting resolutions are adopted by means of voting. Issues specified in sections VII (1) a), b), c), , h), j) and l) shall require three fourths of the votes (qualified majority). The General Meeting may resolve to elect and/or remove maximum two members of the Board of Directors on one session. Further members of the Board of Directors may be elected and/or removed on another General Meeting convened according to the relevant rules.

3. The decision of the general meeting regarding the establishment of the long term remuneration and motivation scheme of the members of the Board of Directors and the Supervisory Board, and other company officers along with the available budget shall not have binding effect, and only provides Shareholders with an opportunity to express their opinion on the subject.

4. The general meeting is opened by the chairman of the Board of Directors or, upon the request of the chairman, a member of the Board of Directors. The same individual shall make a proposal regarding the chairman of the general meeting. The chairman shall be elected by a simple majority of the general meeting.

The chairman of the general meeting shall:

- a) establish that the general meeting has quorum, propose a person appointed to witness the minutes of the general meeting, the official vote counters, and any other officers as necessary, and appoint the keeper of the minutes;
- b) facilitate the discussion on the basis of the agenda;
- c) announce votes and their results, read out resolutions adopted by the general meeting;
- d) ensure that the minutes of the general meeting are kept pursuant to applicable rules;
- e) countersign all general meeting deeds.

## **VIII. THE BOARD OF DIRECTORS**

1. The Board of Directors shall consist of minimum three and maximum of eleven natural persons. The chairperson is elected by the Board of Directors from its own members.

## 2. Members of the Board of Directors:

### 2.1. **Petronella Öregné Kocsis**

Place and date of birth: Budapest, 16/04/1976

Mother's name at birth: Zsuzsanna Holman

Place of residence: 9934 Hegyhátszentjakab, Kossuth utca 3.

Membership start date: 17/03/2014

Membership end date: indefinite

### 2.2. **Arnold Nagy**

Place and date of birth: Temerin, 10/04/1980

Mother's name at birth: Gizella Becsei

Place of residence: Újvidék (Novi Sad), Sodklisa ulica 012., Serbia

Membership start date: 20/05/2016

Membership end date: indefinite

### 2.3. **Stantic Damir**

Place and date of birth: Beograd 20/07/1977

Mother's maiden name: Maria Vig

Place of residence: 1100 Savski Venac, Beograd, Sarajevska 011., Serbia

Membership start date: 20/05/2016

Membership end date: indefinite

### 2.4. **Igor Novak**

Place and date of birth: Zenta (Senta), 29/11/1990

Mother's name at birth: Margit Radics

Place of residence: 32000 Vukovár (Vukovar), Europske ulica 002., Croatia

Membership start date: 20/05/2016

Membership end date: indefinite

## 3. The following shall fall within the exclusive competence of the Board of Directors:

- a.) laying down the Company's business policies
- b.) convening the General Meeting, except for the cases specified by the law
- c.) preparing the Company's financial statements pursuant to the Accounting Act and the proposal for the distribution of the Company's profit, submission of the same to the General Meeting
- d.) approval of the Company's Rules of Organization and Operation
- e.) laying down the rules for the functioning of the Board of Directors, approving its rules of procedure
- f.) preparing a report to the General Meeting on the Company's management, financial status, and business policy at least once a year, and preparing a report to the Supervisory Board on the Company's management, equity situation, and business policy once every quarter
- g.) ensuring that the Company's business records are kept appropriately
- h.) exercising employer's rights in respect of the Company's employees pursuant to the rules of procedure of the Board of Directors
- i.) ensuring the submission of General Meeting minutes or the extracts of such minutes to the court of registration along with a certified copy of the list of attendees, any

amendments of the Articles of Association, as well as the rights, facts or data in corporate deeds and any changes thereto

- j.) monitoring the Company's operations and business, deciding on the Company's business and development concepts and strategic plans, approval of the annual business plan and deciding on the annual credit limit as part of this task
  - k.) taking appropriate steps to publish and deposit the Company's balance sheet in accordance with the rules that apply to such publication
  - l.) fulfilling all duties stipulated by law in respect of companies in which the Company has a stake, including decisions on authorizing individuals to attend the meetings of the management body of such companies
  - m.) approval of the interim balance sheet which serves as a basis for dividend payment
  - n.) in the presence of an authorization from the General Meeting, deciding on the sale of shares acquired by any means by the Company
  - o.) ---
  - p.) performing the duties and any other ordinary or extraordinary reporting obligation in connection with the introduction of the Company's shares in the Warsaw Stock Exchange (including the New Connect alternative share market of the Warsaw Stock Exchange)
  - q.) deciding on any issues outside the exclusive competence of the General Meeting.
4. The Board of Directors may change the corporate name, registered office, sites, branch offices and the scope of activity of the Company, with the exception of the Company's main activity, and amend the Articles of Association accordingly without the need to convene the general meeting.
  5. The Company may exercise employer's rights toward its employees through the Board of Directors in accordance with its rules of procedure. Any member of the Board of Directors may request information about any issue from the employees of the Company, and such requests shall be fulfilled without delay.
  6. If necessary, the Board of Directors shall convene at the intervals specified in its rules of procedure.
  7. The Board of Directors is convened by the chairman. Meetings shall be convened in writing at least 8 days before the proposed date, and the invitation shall include the agenda, the venue, and the time of the meeting.
  8. The convocation of the Board of Directors may be requested by any member of the Board of Directors in writing, and such member shall also state the reason for and the purpose of the meeting. In such cases the Chairman shall convene the Board of Directors within 15 days of the submission of the written request. If the Chairman fails to fulfil the request, then the Board of Directors may be convened by any of its members.
  9. Board of Directors meetings are prepared and chaired by the chairman of the Board of Directors. If the chairman is not available then the chairman's duties shall be fulfilled by a member of the Board of Directors appointed for this purpose by the Board of Directors.
  10. The Board of Directors has quorum if at least 3 of its members are present. Resolutions are adopted with simple majority, and ties shall be settled by the vote of the chairman.
  11. The Board of Directors shall prepare minutes of its meetings. The minutes shall include:

- a. time and venue of the meeting, confirmation that the meeting was convened according to rules,
- b. the names of the attendees,
- c. agenda items,
- d. a summary of contributions, and the resolutions adopted in respect of each agenda item
- e. objections against resolutions, if any.

Voting against a resolution or abstaining shall not, in itself, constitute an objection. A specific reference shall be made to objections.

12. Upon the request of any member of the Board of Directors, verbatim minutes of the meeting shall be prepared.
13. The minutes shall be signed by the chairman of the meeting, the keeper of the minutes, and a member of the Board of Directors attending the meeting and appointed to countersign the minutes. The minutes of the meeting shall be sent to all members of the Board of Directors within 3 working days of the meeting, regardless whether or not they attended the meeting.
14. In the case of transformation, the Company's general meeting shall discuss such transformation and adopt a resolution in a single round, considering that the Board of Directors shall prepare all necessary deeds without exception. Before such general meeting, a draft of the Company's balance of assets and liabilities and inventory approved by the Auditor as of a date specified by the Board of Directors, but in any case not more than six months prior to the date of such meeting, shall be prepared.
15. The Board of Directors may lay down its own rules of procedure, however, in the case of any conflicts between such rules of procedure and the Articles of Association, the provisions of the Articles of Association shall prevail.
16. Any member of the Board of Directors may resign at any time, however, if the functioning of the Company so requires, such resignation shall only become effective after 60 days, except if the Company's General Meeting has elected a new member of the Board of Directors before the expiration of this period, or would have been capable of electing such new member but failed to do so. Until a resignation becomes effective, the resigning member shall participate in urgent decision making and the taking of related measures.
17. In the event of the partial replacement of a member of the Board of Directors or the addition of new members to the Board of Directors, the mandate of such new members shall expire on the same date as the original mandate of the Board of Directors.

## **IX.**

### **SUPERVISORY BOARD**

1. The Company's Supervisory Board shall have at least three, at most seven members elected by the general meeting from. The president of the Supervisory Board is elected by and from its members with a simple majority.

2. Members of the Company's Supervisory Board:

**Stella Lakatos**

Place and date of birth: *Székesfehérvár, 29/01/1973*

Mother's name at birth: *Teréz Nyári*

Place of residence: *8000 Székesfehérvár, Horvát István utca 2/B 2. em. 4. a.*

Membership start date: 11/01/2016

Membership end date: indefinite

**Tibor Nagy**

Place and date of birth: Székesfehérvár, 07/02/1962

Mother's maiden name: Margit Laky

Place of residence: 8000 Székesfehérvár, Surányi utca 17.

Membership start date: 25/07/2015

Membership end date: indefinite

**Mihály Turán**

Place and date of birth: Kiskunhalas, 09/10/1967

Mother's name at birth: Ilona Kurucz

Place of residence: 6200 Kiskőrös, Mohácsi utca 24.

Membership start date: 20/05/2016

Membership end date: indefinite

**Nikola Liptak**

Place and date of birth: Vukovár (Vukovar), 28/07/1990

Mother's name at birth: Ilona Szanyi

Place of residence: 24000 Szabadka (Subotica), Gajeva ulica 024., Serbia

Membership start date: 20/05/2016

Membership end date: indefinite

3. The competence of the Supervisory Board shall cover the following:

- a. expressing an opinion on the financial report prepared according to the Accounting Act
- b. approving in advance the proposal of the Board of Directors to pay dividend or interim dividend
- c. making a recommendation concerning the person and remuneration of the Auditor
- d. monitoring compliance with the qualification requirements and with the regulations on independence and conflict of interest on the part of the Auditor, discharging the duties relating to cooperation with the Auditor, monitoring the services provided by the Auditor for the Company in addition to auditing the financial report prepared according to the Accounting Act, and - where necessary - tabling recommendations to the Board of Directors for taking measures
- e. analysing of the financial reporting system and making recommendations when any action is deemed necessary
- f. assisting the Board of Directors so as to exercise proper control of the financial reporting system
- g. monitoring the audit of the financial report prepared according to the Accounting Act

- h. monitoring the effectiveness of the company's internal control and risk management systems.
4. The meetings and the operations of the Supervisory Board shall be governed by the rules on the meeting and the operations of the Board of Directors with the exceptions specified in the bylaws of the Supervisory Board.

## **X. AUDIT COMMITTEE**

1. The Company has an Audit Committee of three natural persons, elected by the General Meeting. Its first President is elected by the General Meeting; while later it will be elected by the Audit Committee itself from its members.

2. Members of the Company's Audit Committee:

**Stella Lakatos**

Place and date of birth: *Székesfehérvár, 29/01/1973*

Mother's name at birth: *Teréz Nyári*

Place of residence: *8000 Székesfehérvár, Horvát István utca 2/B 2. em. 4. a.*

Membership start date: *11/01/2016*

Membership end date: *indefinite*

**Tibor Nagy**

Place and date of birth: *Székesfehérvár, 07/02/1962*

Mother's maiden name: *Margit Laky*

Place of residence: *8000 Székesfehérvár, Surányi utca 17.*

Membership start date: *25/07/2015*

Membership end date: *indefinite*

**Mihály Turán**

Place and date of birth: *Kiskunhalas, 09/10/1967*

Mother's name at birth: *Ilona Kurucz*

Place of residence: *6200 Kiskőrös, Mohácsi utca 24.*

Membership start date: *20/05/2016*

Membership end date: *indefinite*

**Nikola Liptak**

Place and date of birth: *Vukovár (Vukovar), 28/07/1990*

Mother's name at birth: *Ilona Szanyi*

Place of residence: *24000 Szabadka (Subotica), Gajeva ulica 024., Serbia*

Membership start date: *20/05/2016*

Membership end date: *indefinite*

3. The competences are:

- a. participation in supervisory of financial reports
- b. participation in choosing the Auditor
- c. participation in cooperating with the Auditor

4. Rules of covering its meeting and operation is governed by the Rules of Procedure of the Audit Committee.

## **XI. THE AUDITOR**

1. The Company has one Auditor. The Auditor may be re-elected for a five year period after the expiry of its mandate. The Auditor is elected by the general meeting.

The Company's auditor for the period specified in the relevant general meeting resolution shall be

**UNION-Audit Könyvvizsgáló és Tanácsadó Korlátolt Felelősségű Társaság** (1124 Budapest, Thomán István utca 8. fszt. 5.; Company Registration Number: 01-09-692868; Registration Number: 001927), on behalf of which the Company's auditing is conducted by **Pisták István Ferencné auditor** (Address: 2083 Solymár, Gorkij utca 4.; Registration Number: 004073).

2. The auditor may inspect the Company's books, request information from the Company's officers and employees, and inspect the cash register, securities, goods, contracts and bank accounts of the Company. The auditor shall inspect all reports, especially the balance sheet and the profit and loss statements, submitted for review by the general meeting in order to verify that such reports contain correct information and comply with applicable legislations, and then communicate the findings of such inspections. Resolutions on financial report shall not be considered valid in the absence of the auditor's inspection.

3. The auditor shall attend the general meeting discussing the Company's annual report in accordance with the Accounting Act. The auditor may also attend Board of Directors and Supervisory Board meetings.

4. The auditor shall initiate the convention of the general meeting and concurrently inform the Supervisory Board in the event that the auditor anticipates a significant decrease in the Company's assets or acquires information on facts that affect the legal responsibility of the members of the Board of Directors or the members of the Supervisory Board.

5. If the Company's general meeting is not convened or the resolutions required by law are not adopted, the auditor shall inform the Court of Registration in charge of legal supervision.

**XII.**  
**THE COMPANY'S BUSINESS OPERATIONS**

1. The Company's first fiscal year shall begin on the date of foundation and end on 31 December of the same year.
2. All subsequent fiscal years shall correspond to the current calendar years.
3. The Company shall abide by effective applicable laws in the course of its business operations, as well as the preparation and the audit of its balance sheet.

**XIII.**  
**INCREASE OF SHARE CAPITAL**

1. The Company's share capital may be increased by the private or public issue of shares, from the assets not comprising part of the share capital, by the issue of employees' shares, or by the issue of convertible bonds or equity bonds, as conditional upon the increase of the share capital.
2. The Company can increase its capital with issuing new stocks only after making available the nominal value of each stock or depositing the full issued value and the value non material contribution.
3. The general meeting makes the final decision on capital increase, based on the Board of Director's proposal.

If the Company issued different type or class of shares, the condition of the decision on capital increase that those directly affected by the capital increase, and the owners of the shares type or class affected by the modification made in the Articles of Association should give their explicit consent. The decision proposal to be discussed by the General Meeting should be made public in the appropriate papers by the Board of Directors. The owners of the affected shares registered in the List of Shareholders entitled to express their intentions within 15 days of the publication in a letter sent by post or telefax, in such way that it should arrive by 5 PM on the last day at the deadline. With one share the owners can make their declaration only once within a declaration period. If the shareholder does not make such a statement counts as a preliminary consent. The content of this paragraph is the governing rule in case of General Meeting decision of authorizing the Board of Directors for capital increase.

4. The resolution of the general meeting adopted for increasing the share capital through the issue of new shares shall specify the mandatory content prescribed by the Civil Code.
5. It is the responsibility of the Board of Directors to execute the increase of share capital.
6. The Company's share capital is increased from the assets not comprising part of the share capital then the shares representing the increase in the share capital shall be distributed to

the Company's Shareholders without consideration in proportion to the face value of their shares held.

7. Unless otherwise provided in a general meeting resolution on the increase of share capital, new shares issued as part of an increase of share capital shall start to earn dividends for the year in which the increase took place.

8. If the share capital is increased by way of a cash infusion, within the Company's Shareholders first the holders of shares belonging to the same series of issue, and then the holders of convertible bonds and the holders of bonds with subscription rights in tandem shall be granted preferential rights - in this sequence - for the subscription of shares.

If preferential rights are provided to the Company's Shareholders or bond holders for the subscription or the receipt of shares (hereinafter referred to collectively as preferential rights) pursuant to the law, and the exercise of such rights is not disallowed, the Board of Directors shall publish a notice in accordance with the procedures set out in section XVI/1 of the Articles of Association in order to call the Shareholders or bond holders to exercise their preferential rights. The Shareholders or bond holders may exercise their preferential rights by sending a statement in the form, within the time period, and to the address specified in the notice. Such statements shall specify the type, class, series, face value, quantity and issue value of the shares the Shareholder or bond holder wishes to subscribe or receive, along with an irrevocable obligation assumed by the Shareholder or bond holder to subscribe or receive the said shares, and pay the issue price in accordance with the terms specified by the general meeting. For such statements to be effective until the Shareholder or bond holder shall fulfil its payment obligations undertaken therein by the given deadline. The failure of a Shareholder or bond holder to issue a valid statement in respect of exercising its preferential rights within the time period specified in the notice shall be considered a waiver of such rights. In the absence of a resolution adopted by the general meeting to the contrary, if there are more requests for the subscription or receipt of shares from Shareholders having the same preferential rights than the amount of new shares issued as part of the capital increase, then preference rights may be exercised in proportion with the face value of the shares or bonds already held.

9. Based on a written motion presented by the Board of Directors, the general meeting may decide to disallow the exercise of preferential subscription rights. The proposal on the exclusion of the preferential subscription rights shall be discussed along with the proposal on the increase of share capital, but separate resolutions shall be made on these issues. In addition to the details prescribed in the Companies Act, the proposal on the exclusion of the preferential subscription rights shall include a justification for the increase of share capital, an introduction of the individuals authorize to receive the shares in the case of a private increase of share capital, and a description of the difference between the voting ratios of Shareholders prior to and after the increase of share capital. The general meeting resolution is sent to the Court of Registration and concurrently published in the Cégközlöny (Company Gazette) by the Board of Directors.

10. The General Meeting of the Company shall be authorized to resolve a conditional increase of the registered capital with the restrictions specified herein by issuing convertible

bonds. Bond holders may request to acquire shares from the conditionally increased registered capital in accordance with the relevant resolution and the Bond Issue Information Package. The relevant resolution shall set forth all specific conditions of issuing such bonds.

11. The General Meeting's Decision of the conditional capital increase shall determine:

- (a) the method of bond issue (private or public)
- (b) the quantity, and face value or issue price of the bonds to be issued, the series of the bonds (bond attributes), and the place and time of subscription;
- (c) the conditions and the time for converting the bonds into shares;
- (d) the maturity of the bonds, and the conditions for paying interest or other yield on such bonds;
- (e) procedure to be followed in case of over- or undersubscription, and the rules of allocation.

#### **XIV. REDUCTION OF SHARE CAPITAL**

1. In the resolution of the general meeting on the reduction of share capital, the information listed by the law shall be specified.

2. The rules pertaining to the face value of the shares and the minimum amount of the share capital shall also apply as a main rule in the case of reduction of share capital.

3. The Board of Directors shall take measures to have the decision on the capital reduction published in two consecutive volumes of the Cégközlöny (Official Hungarian Company Gazette) within thirty days after the date of submission of the resolution of the general meeting for the reduction of share capital to the Court of Registration, leaving at least thirty days between the two publications. Known creditors must be informed by the Company directly as well. The provisions of this section may not be applied if the Company's capital is reduced in order to cover the Company's losses, or in order to increase the Company's reserves in excess of the share capital as stipulated in the Accounting Act.

4. Payments may not be made to Shareholders from the share capital, and unpaid cash and in-kind contributions related to shares may not be cancelled before the share capital reduction is registered by the Court of Registration.

5. If the Company has issued shares of different types or classes, the explicit consent of the holders of the types or classes of shares which are directly affected by the capital reduction, or the holders of shares which are deemed affected by the Articles of Association is required for the reduction of the share capital as a pre-condition for the general meeting resolution adopted for the reduction of share capital to take effect. In the course thereof, the provisions on the restriction or exclusion of the voting rights attached to such shares may not be applied, save where voting rights are restricted for the own shares. The Board of Directors shall announce the draft resolutions to be presented to the general meeting in the appropriate bulletins. Shareholders who are registered in the register of shareholders as having any shares of the affected series as of the first day of the period during which

statements are accepted may express their intentions by mail or fax within 15 days of the publication of the notice, provided that their statement is received at the address or fax number by 17:00 hours on the deadline date. Each share can be used only once during such periods to make a statement. The Shareholder's failure to make a statement within the above period shall constitute preliminary consent.

**XV.  
TERMINATION OF THE COMPANY**

1. The Company may be terminated by

- a) a decision of the general meeting to terminate the Company without succession;
- b) a decision of the general meeting to terminate the Company with succession;
- c) the Court of Registration due to reasons specified by the law.

2. In the case that the Company is terminated without succession, the provisions set out by the law in respect of dissolution shall be applied.

**XVI.  
CORPORATE SIGNATURE**

The Company's corporate signature shall include the pre-handwritten, pre-typed, or pre-printed corporate name of the Company (or its abbreviated form), which must be followed by the individual (sole) signature of either

- the chairman of the Board of Directors;
- or any member of the Board of Directors duly authorized to represent the Company

**XVII.  
CLOSING PROVISIONS**

1. Unless otherwise stipulated by law, the Company's announcements shall be published once on the Company's website ([www.trophyresort.eu](http://www.trophyresort.eu)) and if required by law, in the Cégközlöny (Company Gazette).

2. All justified expenses related to the founding of the Company and the registration of amendments shall be borne by the Company.

Issues not provided for in these Articles of Association shall be governed by the provisions of the Civil Code.

Gerjen, 07 Jan 2017

Trophy Holding Plc (Nyrt.)