

APPROVED  
By the decision of the  
Board of AB Novaturas  
March 26, 2025

## **AB NOVATURAS BOARD ACTIVITY REPORT, 2024**

March 26, 2025

- 1. Reporting period:** January 1, 2024 – December 31, 2024
- 2. Board term:** June 6, 2023 – June 6, 2025 (or until a new board is elected and starts its duties, but no later than the date of the Annual General Meeting of Shareholders held in the year of the term's expiry).
- 3. Board Composition and Engagement**

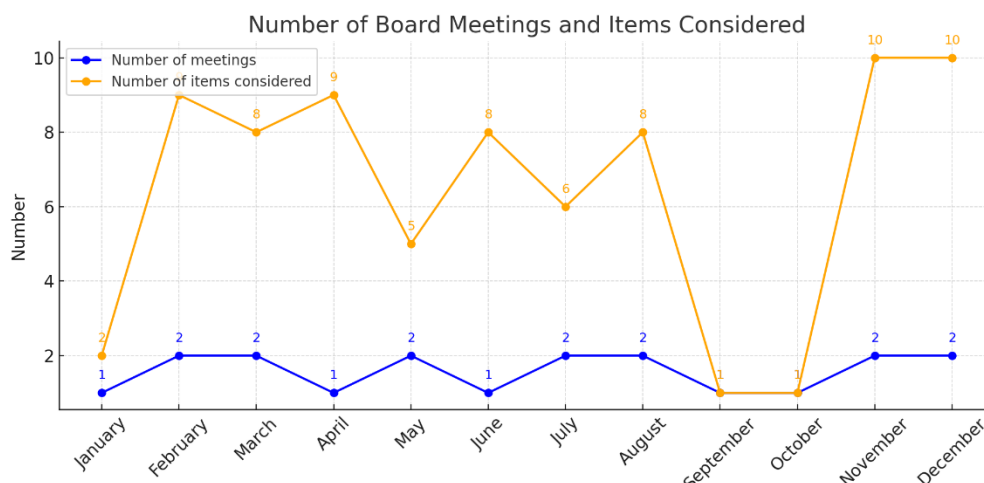
Current Board members were elected during the Annual General Meeting of Shareholders on June 6, 2023.

During the reporting period, the Board (hereinafter referred to as the Board) of AB Novaturas (hereinafter referred to as the Company) consisted of 3 members, of which 1 was an independent member and 2 were members delegated by the Company's shareholders:

- Gediminas Almantas (Chairman, Independent Member).
- Ugnius Radvila (Member).
- Tomas Korganas (Member).

Additional information about the Board members is available on the Company website [Valdymas - Novaturas \(novaturasgroup.com\)](https://www.novaturasgroup.com/valdymas)

During the reporting period, 19 Board meetings were held, of which 7 decisions were made in writing without convening a Board meeting. 77 issues were discussed during the meetings (this number does not include issues regarding the approval of the agenda, setting meeting dates, current issues of the Company's activities, discussions among Board members and discussions between the Board and the Company's CEO regarding issues of the Board meeting).



During the reporting period, in addition to the above-mentioned Board meetings, 17 meetings of Board members with the Company's management were also held regarding the efficiency and optimization of the Company's operations, budget execution, the Company's liquidity, attracting additional financing and other issues, including work organization, etc., during which no decisions were made. Ongoing meetings were also held with the CEO.

Board member Ugnius Radvila also met periodically with agents and agency heads across Lithuania.

#### **Board Member Attendance at Meetings and prearranged sessions:**

- Gediminas Almantas – 19 meetings, 17 sessions (100%).
- Ugnius Radvila – 19 meetings, 17 sessions (100%).
- Tomas Korganas – 19 meetings, 17 sessions (100%).

#### **4. Board Functions**

The Board operates in accordance with the Civil Code, the Law on Companies, the Company's Articles of Association, Shareholder decisions, Board regulations, and other legal acts.

The Board's working procedures, rights, and duties, meeting organization, decision-making processes, and conflict-of-interest management are defined in the Board's Rules of Procedure, updated on June 19, 2023.

#### **5. Conflict of Interest Management**

At the start of their term, Board members submitted private interest declarations. Some of these are available on [www.vtek.lt](http://www.vtek.lt).

The independent member also submitted a declaration of independence.

Conflicts were reviewed during agenda confirmations, and when needed, members were recused from decision-making.

Potential conflicts of interest of Board members were checked during each meeting when approving the meeting agenda. In the event of a conflict of interest, the Board decided to disqualify

the relevant Board member from voting and further participation in the consideration of a specific issue, noting this in the minutes.

The procedures for removing a Board member are carried out in accordance with the Board's work regulations.

## 6. Key Issues Addressed by the Board during reporting period:

Date of Board meeting/Decision	Key issues discussed
2024-01-09	<ul style="list-style-type: none"> <li>The essential terms of the aviation agreement with Freebird Airlines were approved.</li> <li>A decision was made on amendments to the derivative financial instruments and foreign exchange transaction agreement with Luminor Bank AS.</li> </ul>
2024-02-01	<ul style="list-style-type: none"> <li>The Company's 2024 budget and annual goals were discussed.</li> <li>The Company's budget control process was reviewed.</li> <li>The implementation of the WEB project was discussed;</li> <li>The Company's need to form an audit committee was considered and its possible functions were reviewed.</li> </ul>
2024-02-28	<ul style="list-style-type: none"> <li>The Company's 2023 audit status was reviewed.</li> <li>The Company's 2024 performance optimization program was approved.</li> <li>The Company's e-commerce development priorities were discussed.</li> </ul>
2024-03-27	<ul style="list-style-type: none"> <li>The Company's 2023 audit status was reviewed.</li> <li>The Company's direct (non-e-commerce) sales action plan was approved.</li> <li>The 2024 budget of the Company and the group companies was approved and the 2024 goals were set.</li> </ul>
2024-04-30	<ul style="list-style-type: none"> <li>The Company's consolidated annual report for 2023 was approved;</li> <li>The Company's audited financial statements and consolidated financial statements for 2023 were approved and it was decided to submit them for approval to the Company's ordinary general meeting of shareholders.</li> <li>The Company's profit (loss) distribution project was approved and it was decided to submit them for approval to the Company's ordinary General Meeting of Shareholders.</li> <li>A decision was made to establish the Audit and Risk Committee in the Company.</li> <li>The Company's Audit and Risk Committee Regulations were approved.</li> <li>The Company's Board activity report for 2023 was approved.</li> <li>The Company's Board activity plan for 2024 was established.</li> <li>A decision was made to convene the Company's ordinary General Meeting of Shareholders and its agenda was established.</li> </ul>

	<ul style="list-style-type: none"> <li>• The Company's personnel priorities for 2024 were considered, and the Company's possible new organizational structure was reviewed.</li> <li>• A decision was made to dismiss the Company's CFO and appoint a new CFO.</li> </ul>
2024-05-10	<ul style="list-style-type: none"> <li>• The agenda of the Company's Annual General Meeting of Shareholders has been supplemented.</li> </ul>
2024-05-29	<ul style="list-style-type: none"> <li>• The Company's direct sales marketing investment plan was reviewed.</li> <li>• The Company's direct sales marketing investment plan was reviewed.</li> <li>• The Company's budget execution status was reviewed.</li> </ul>
2024-06-27	<ul style="list-style-type: none"> <li>• The Company's E-commerce strategy was reviewed.</li> <li>• Customer experience improvement was discussed.</li> <li>• The Company's additional services sales were reviewed.</li> <li>• Possible changes to the Company's organizational structure were considered.</li> <li>• The Company's motivational system was reviewed.</li> <li>• The implementation of the Company's performance efficiency program was considered.</li> </ul>
2024-07-17	<ul style="list-style-type: none"> <li>• A decision was made to dismiss the Company's CFO and appoint an acting CFO.</li> </ul>
2024-07-31	<ul style="list-style-type: none"> <li>• The implementation of the Company's performance efficiency program was reviewed.</li> <li>• The status and control of the Company's budget execution were reviewed.</li> <li>• The Company's Audit and Risk Committee's activity plan for 2024 was approved.</li> </ul>
2024-08-22	<ul style="list-style-type: none"> <li>• Discussions were held regarding the preparatory work for raising financing for the Company by issuing the Company's ordinary non-convertible bonds.</li> </ul>
204-08-28	<ul style="list-style-type: none"> <li>• The Company's 2025 summer program was considered.</li> <li>• An overview of the Estonian market was conducted.</li> <li>• The implementation of the Company's operational efficiency program was reviewed.</li> <li>• The status and control of the Company's budget execution were reviewed.</li> <li>• The Company's International Sanctions Implementation Policy was approved.</li> </ul>
2024-09-25	<ul style="list-style-type: none"> <li>• The Company's options for raising additional financing were reviewed.</li> <li>• A new CFO of the Company was appointed.</li> </ul>

2024-11-05	<ul style="list-style-type: none"> <li>• Preparation for 2025 was discussed, the Company's advantages in product, marketing, sales, commerce and other areas were reviewed.</li> <li>• The Company's 2025 budget and annual goals were reviewed.</li> <li>• The Company's budget execution and control were reviewed.</li> <li>• The Company's operational efficiency was considered.</li> <li>• The Company's liquidity status was reviewed.</li> </ul>
2024-11-27	<ul style="list-style-type: none"> <li>• The Company's planned results for 2024 were reviewed.</li> <li>• The Company's budget for 2025 was discussed.</li> <li>• The management of the Company's strategic partnerships was considered.</li> <li>• The Company's strategy for changing its operating model was considered.</li> <li>• The Company's budget execution and operational efficiency were reviewed.</li> </ul>
2024-12-18	<ul style="list-style-type: none"> <li>• The Company's Personal Data Protection Policy has been approved.</li> <li>• The Company's Information Security Policy has been approved;</li> <li>• The Company's International Personal Data Transfer Policy.</li> <li>• The Company's Information Security Risk Assessment Methodology was approved.</li> <li>• The Company's direct sales and WEB sales plans were reviewed.</li> <li>• The Company's Board Performance Evaluation Guidelines were approved.</li> <li>• The Company's organizational structure and motivational system for 2025 were reviewed.</li> <li>• The Company's operational efficiency and liquidity status were reviewed.</li> <li>• The Company's 2025 budget was considered.</li> <li>• The Company's Hedging Policy was reviewed.</li> <li>• The Company's employee stock option program was reviewed.</li> </ul>